



Daily Report

East Asia

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Japan

Tokyo Said Focusing on New U.S. Envoy to Tokyo

OW2412122192 Tokyo KYODO in English 1211 GMT
24 Dec 92

[Text] Tokyo, Dec. 24 KYODO—Japan is shifting its attention on the incoming U.S. Government from President-elect Bill Clinton's key advisers to his choice as new ambassador to Tokyo, government sources said Thursday.

A Foreign Ministry source speculated that Clinton would personally nominate ambassadors to Japan and other major countries in late January or in February.

Among those mentioned for the Tokyo post to succeed Ambassador Michael Armacost are House of Representatives Speaker Thomas Foley and former Rep. Stephen Solarz, who lost a reelection bid.

Other potential candidates include Richard Holbrook, a former assistant secretary of state under the Jimmy Carter administration, and Gaston Sigur, also a former State Department official under President Ronald Reagan.

According to sources involved in Japan-U.S. relations, Armacost tendered his resignation shortly after incumbent President George Bush lost to Clinton in the November 3 presidential race.

Some Foreign Ministry officials have been frustrated with Armacost's style of bypassing government agencies to present the U.S. positions on Japan-U.S. structural dialogue and the Persian Gulf war directly to leaders of the ruling Liberal Democratic Party.

These and many other Japanese Government officials said they favor a person of high caliber who respects traditional diplomatic channels in dealing with Japan, citing as an example former Ambassador Mike Mansfield, who was Senate majority leader before taking up the Tokyo post.

Agriculture Minister Tanabu Cancels U.S. Trip

OW2612080692 Tokyo KYODO in English 0758 GMT
26 Dec 92

[Text] Tokyo, Dec. 26 KYODO—Agriculture Minister Masami Tanabu has abandoned his planned early trip to Washington for talks on farm trade in the Uruguay Round of multilateral trade negotiations, Japanese Government sources said Saturday.

Tanabu, minister of agriculture, forestry and fisheries, had considered visiting Washington later this month or early next year for talks with U.S. officials on the deadlocked farm issue.

The negotiations under the General Agreement on Tariffs and Trade (GATT) have bogged down over a proposal to replace farm trade barriers with tariffs.

The sources said the government has abandoned Tanabu's early trip because the U.S. President-elect Bill Clinton administration's stance on the farm issue remains unclear.

The government also judged that little progress is expected in talks between Tanabu and U.S. officials under the present administration, the sources said.

In recent talks in Geneva, the United States has rejected Japan's request to exempt rice from the proposed conversion of farm import barriers to tariffs. Japan virtually bans the import of rice.

Miyazawa Urged To Promote Regional Dialogue

OW2512053192 Tokyo KYODO in English 0513 GMT
25 Dec 92

[Text] Tokyo, Dec. 25 KYODO—An expert panel on Japan and the Asia-Pacific region advised Prime Minister Kiichi Miyazawa on Friday to strengthen regional dialogue on security issues, and find ways to include China and Russia in the parley.

The recommendations, issued amid fresh reports that China is seeking to buy two aircraft carriers from Russia, cited arms control as an important topic in the proposed discussions aimed at confidence-building and increasing military transparency.

Miyazawa is expected to incorporate the panel's findings on regional political, security and economic issues in drawing up a policy speech to be delivered during a visit to Thailand next month.

The report stressed the continued U.S. military presence in the region and Tokyo's security pact with Washington as the foundation for regional cooperation in the security field.

It called for increasing dialogue on security matters in bilateral and multilateral forums such as the Association of Southeast Asian Nations (ASEAN) expanded foreign ministerial talks.

In the future, the panel said the government should contemplate the establishment of a regional security forum. It did not offer concrete ideas.

Japan should adhere to its nonnuclear policies and ban on weapons exports, and help establish an environment for arms reduction, the panel of 18 academics and business executives advised.

They called on Japan to "aspire to become a trusted nation."

Despite repeated expressions of remorse for Japanese aggression during World War II, it said many Asians still feel aggrieved.

"This is not the sort of problem that Japan can put behind it by taking a specific action," the report said, calling for continued sincerity in expressing a humble attitude to victims.

It stopped short of offering practical advice on how to meet a new wave of demands for compensation from Korean and other women forced to serve in frontline brothels during the war.

"On compensation, Japan after the war did its best to respond under the then-current international rules," the report said.

Japan maintains that compensation issues were resolved on a government-to-government basis after the war.

The report said that if for humanitarian reasons Japan opts to make additional payments, it should ensure the action "conforms with previous (compensation) measures and law."

On the economy, the report advocated eliminating barriers to trade and investment, and strengthening the free trade system via the multilateral talks under the auspices of the General Agreement on Tariffs and Trade (GATT).

Japan should increase manufactured imports, expand direct investment and make additional efforts in the area of technology transfers, the report said. It stressed that the region should avoid forming a protectionist bloc.

The report is the result of nine meetings, attended by Miyazawa, conducted over a seven-month period.

The panel on Japan and the Asia-Pacific in the 21st Century was chaired by Keio University President Tadao Ishikawa.

[Tokyo NHK General Television Network in Japanese at 0300 GMT on 25 December adds: "A private advisory body to Prime Minister Miyazawa, the Forum on the Asian-Pacific Region and Japan in the 21st Century, stressed the importance of strengthening a political dialogue on security among the countries of the Asian and Pacific Region, including Russia and China, after the end of the cold war.

["The panel has been working on future diplomacy by Japan in Asia. Keio University President Tadao Ishikawa, who serves as the advisory body's chairman, submitted its recommendations to Prime Minister Miyazawa this morning.

["The report presented by the panel stresses that Japan should maintain its basic position of never becoming a military power again, and offer its cooperation to help maintain international peace. The report also states that in order to foretell and prevent possible conflicts, it is important to strengthen dialogue among the various nations on security issues, such as disarmament and arms management. It specifically points out the necessity of involving China and Russia in such a dialogue.

["The report also asserts that it is important for Japan to accurately perceive the actions it took in the Asian and Pacific countries during the last war. Pointing out the importance of historical education in Japan, it states that

Japan needs to come up with conscientious responses, from a humanitarian standpoint, to such issues as the comfort women.

["(Begin recording) [NHK Correspondent Jun Ogi] The panel was formed as a result of Prime Minister Miyazawa's strong desire to set forth Japan's new policy guidelines toward Asia, both domestically and internationally, after the disintegration of the cold war structure. Behind this is Japan's increasingly prominent political role in Asia and the Pacific, as seen with the dispatch of Self-Defense Forces to participate in PKO [peace-keeping operations] in Cambodia. The report also emphasizes, however, that there still are strong apprehensions against Japan in those Asian countries upon which the nation inflicted serious damage during World War II. The report says that, in that sense, there is a limit to Japan's political role under the present circumstances. It further stresses that Japan needs to repent concerning its past actions, and come up with conscientious responses to such issues as the problem of the comfort women, in order to eliminate such apprehensions. After receiving these recommendations, Prime Minister Miyazawa intends to make his trip to Southeast Asia starting 11 January 1993, the first step in Japan's efforts to build a new policy toward Asia. (end recording)"] 25 DEC 0634z MM

Political Dialogue Said Important

OW2512054192 Tokyo NHK General Television
Network in Japanese 0300 GMT 25 Dec 92

[Text] [Announcer] A private advisory body to Prime Minister Miyazawa, the Forum on the Asian-Pacific region and Japan in the 21st Century, stressed the importance of strengthening a political dialogue on security by the countries of the Asian and Pacific region, including Russia and China, after the end of the cold war.

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Tokyo Plans To Cooperate With Plutonium Controls

OW2912070292 Tokyo KYODO in English 0639 GMT
29 Dec 92

[Text] Tokyo, Dec. 29 KYODO—Japan will actively cooperate with the International Atomic Energy Agency (IAEA) to establish an international system to control the excessive supply of plutonium in the world, government officials said Tuesday.

The IAEA revealed the scheme at an informal meeting in Vienna early this month. Japan and Germany, as well as the five nuclear powers—the United States, Russia, China, France, and Britain—were among those taking part in the meeting.

Under the IAEA plan, plutonium would be stored in each plutonium-possessing country and an international organization would be responsible for control of the highly radioactive substance.

The organization would strictly check the output of plutonium by nuclear reprocessing plants and the consumption of plutonium by fast breeder reactors in each country in an attempt to prevent the material from being used for nuclear weapons.

World stocks of plutonium are expected to exceed 100 tons because of the dismantling of nuclear arms in the U.S. and Russia in the wake of the end of the cold war, according to the officials.

Japan will stress its basic policy of using nuclear materials for only peaceful purposes and preventing proliferation of nuclear weapons in actively cooperating with the IAEA plan, the officials said.

Tokyo To Send Officials, Volunteers to Cambodia

OW2412131192 Tokyo KYODO in English 1301 GMT
24 Dec 92

[Text] Tokyo, Dec. 24 KYODO—The government has decided to send a group of 50 national and local government officials and private volunteers to Cambodia to help with UN peacekeeping operations, government sources said Thursday.

The governmental International Peace Cooperation Headquarters has asked the Home Affairs Ministry, the Foreign Ministry and other agencies to choose appropriate people.

The ministries will relay the request to local governments and volunteer groups early next year, the sources said.

The United Nations is expected to ask Japan as early as January to send people to help monitor Cambodian general elections scheduled for next May.

The 50 men and women will be selected next February and will leave for Cambodia in April for about three weeks of operations under the command of the UN Transitional Authority in Cambodia (UNTAC).

From March to April, the headquarters also plans to send eight cease-fire monitoring members and 600 engineers to Cambodia to replace the Japanese peacekeeping personnel who will be ending their six-month tour there.

The headquarters is also considering selecting personnel in preparation for a possible extension of UNTAC operations in Cambodia after next September when UNTAC members were originally scheduled to withdraw.

Soldiers To Join UN Iraq Chemical Weapons Team

OW2512145592 Tokyo KYODO in English 1435 GMT
25 Dec 92

[Text] Tokyo, Dec. 25 KYODO—Japan will have two members of its Ground Self-Defense Force join a United Nations team for monitoring the destruction of chemical weapons in Iraq, government officials said Friday.

Lt. Col. Shigeyuki Urano and Maj. Osamu Nagae will join the U.N. mission, comprising some 30 members from more than 10 countries, they said.

The team is scheduled to stay in Iraq for about six months from early next January to check whether Baghdad is implementing a U.N. order to destroy its stored chemical weapons.

The mission is the second U.N. chemical weapons team to be sent to Iraq.

Government Not To Send Personnel to Somalia

OW2512150892 Tokyo KYODO in English 1451 GMT 25 Dec 92

[Text] Tokyo, Dec. 25 KYODO—Japan cannot send personnel to Somalia and its neighboring countries in the immediate future because of the state of anarchy in the country and the absence of any request for the dispatch of medical teams, Foreign Ministry officials said Friday.

Yoshiji Nogami, deputy director general of the ministry's Middle Eastern and African Affairs Bureau, noted the difficulties in a report to Foreign Minister Michio Watanabe and Vice Foreign Minister Hisashi Owada, officials said.

Nogami headed a government fact-finding mission that toured Somalia, Ethiopia and Kenya for nine days through Thursday to study what contributions Japan might make to the civil war-ravaged and famine-struck Somalia and its neighbors.

Nogami's report said U.S. and European nongovernmental organizations are already providing medical assistance in Ethiopia and Kenya, where Somalian refugees are arriving in force.

Only fully equipped troops like Self-Defense Forces units can conduct rescue operations in Somalia, where the social infrastructure is shattered, the report said.

"Given the extremely peculiar situation, it is quite difficult to tell what the government can do," Nogami was quoted as saying.

Officials quoted Nogami as saying the number of refugees rushing into neighboring nations is far greater than initially expected.

The office of the United Nations High Commissioner for Refugees (UNHCR) may ask U.N. member states in January for additional contributions of up to 60 million dollars to tackle the Somalian refugee problem, officials said.

With the UNHCR lacking a sufficient work force to help refugees repatriate to Somalia, Japan is expected to consider the dispatch of personnel to international organizations working on relief efforts in Kenya and other countries, they said.

The Foreign Ministry supports participation of personnel in international efforts to safeguard relief supplies in Somalia, but a ministry source said "time must elapse" before Japan sends personnel to multilateral organizations.

Japan has pledged to make a 100 million dollar contribution to a U.N. fund to help cover the costs of U.N. operations in Somalia. The U.N. aim is to collect 400 million dollars to restore order in the country.

It is Japan's second such contribution to a multinational force, following the payment of 11 billion dollars in support of U.S.-led multinational forces in the Persian Gulf war.

Foreign Envoys Asked for Funds To Aid Somalia

OW2812101992 Tokyo KYODO in English 1012 GMT 28 Dec 92

[Text] Tokyo, Dec. 28 KYODO—The Foreign Ministry on Monday asked 28 foreign envoys to Japan for contributions from their countries to a UN Fund to aid Somalia, ministry officials said.

The United Nations is trying to collect 400 million dollars to cover costs of its operations to secure humanitarian assistance in the eastern African country.

Some of the diplomats, however, questioned why Japan, instead of the UN, was calling for help with the fund, the officials said.

Japan, which has government restrictions on sending troops overseas, played a leading role in setting up the fund and has pledged to provide 100 million dollars.

In UN-initiated multinational forces' efforts to send relief supplies to starving Somalis, some 20 countries have expressed willingness to dispatch troops.

But as for the fund, only four countries—Japan, Finland, the Philippines, and Saudi Arabia—have promised to offer funds so far, totaling about 111 million dollars, far less than the marked amount, the officials said.

Prime Minister Kiichi Miyazawa sent letters to 38 UN member countries last Tuesday to ask for contributions to the UN fund-raising efforts.

Tanabe Urges Generational Change in Leadership

OW2412113092 Tokyo KYODO in English 1124 GMT 24 Dec 92

[Text] Tokyo, Dec. 24 KYODO—Makoto Tanabe, chairman of Japan's No. 1 opposition Social Democratic Party (SDP), announced his sudden resignation Thursday, citing the need for a generational change in leadership ahead of general elections expected next year.

"Many industrialized countries are beginning to align new political leaders to meet the new social and diplomacy needs posed by the post cold war era," Tanabe said in a statement, citing the election of Bill Clinton as the next U.S. President.

Speaking at a hastily convened news conference, Tanabe, 70, hotly denied he was stepping down because of his close ties with disgraced former ruling Liberal Democratic Party kingpin Shin Kanemaru.

Kanemaru, expressing regret over Tanabe's resignation, speculated that the SDP chairman was apparently fed up with pressure from the party's left-wing members. Prime

Minister Kiichi Miyazawa told reporters he was stunned by Tanabe's decision to quit.

Tanabe's resignation after 18 months at the helm of the SDP came only days after he was severely criticized by local SDP chapters at a central committee session for failing to vigorously investigate the Tokyo Sagawa Kyubin money-and-mobsters scandal that toppled Kane-maru.

Tanabe at the news conference said the next leader should be able to renovate the party into a body that voters will regard as a viable option for taking over the reins of government.

The SDP has been in perennial opposition since the ruling LDP was formed in 1955, and is frequently criticized for lacking policy-making ability.

Tanabe would not indicate whom he favors as his successor.

Nor would he say if his support for a "change in generation" means that he wants the SDP to depart from its conventional practice of selecting leaders based on seniority.

Tanabe said he had been considering passing the baton for some time. He timed his announcement to the eve of the New Year's holiday season in Japan to enable a new leader to start business by the start of January's regular Diet session.

Tanabe said the change also is aimed at giving the SDP a boost in Tokyo Metropolitan Assembly elections that are likely to be held in the spring.

SDP Secretary General Sadao Yamahana also announced he is resigning. Their announcement was made at an emergency meeting of the party's central executive members.

The incoming leader will have to contend with support ratings that have dropped despite public criticism of the LDP over the Tokyo Sagawa Kyubin scandal.

SDP sources said balloting for the new SDP chairman will be held on January 16 and 17. The party's special convention to endorse the new party leadership is slated for January 20.

The SDP traditionally picks up support when the LDP is embroiled in scandals, usually involving "money politics."

A poll by the YOMIURI SHIMBUN last week showed support for the SDP declined slightly to 12.4 percent in December from 13.2 percent the previous month, while the LDP's popularity increased a fraction to 38.3 percent from 37.6 percent.

During his tenure, Tanabe was criticized for failing to defeat a bill allowing Japanese soldiers to take part in UN peacekeeping operations.

He later said the "ox walk" and other filibuster tactics he employed to delay the vote on the controversial bill by several days damaged the party in July's House of Councillor's elections.

The SDP managed to hold on to 22 seats that were up for election in the nationwide contest, but the performance paled in comparison to the nearly 50 seats clinched in the 1989 upper house election under the leadership of popular SDP Chairwoman Takako Doi.

In that election, the LDP lost its majority for the first time ever over voter discontent on a consumption tax and political corruption.

Tanabe took over the party leadership from Doi in July 1991 after defeating the left-leaning Tetsu Ueda.

Known for his ability to manage the longtime divisions between the party's right-leaning and left-leaning factions, Tanabe was reappointed to the post at a party convention in December 1991.

SDP Decides on Schedule for Election of Leader

*OW2512043092 Tokyo KYODO in English 0355 GMT
25 Dec 92*

[Text] Tokyo, Dec. 25 KYODO—Japan's main opposition Social Democratic Party (SDP) said Friday it has decided on the schedule for the election of a new party leader to replace Makoto Tanabe, who suddenly resigned on Thursday after 18 months in the job.

Officials said that after the announcement of the elections in the Monday edition of the party organ SHAKAI SHINHO, party members may file their candidacy until January 6. Tanabe's resignation becomes formal in January.

The ballot will be held on January 15 and 16, and vote counting is slated for the following day.

The new leadership will be officially confirmed at an extraordinary party convention scheduled for January 19.

Tanabe justified his sudden resignation with the need for a generational change in the SDP leadership. But his step is widely seen as the result of strong criticism within party ranks and the public for his close links with fallen ruling Liberal Democratic Party kingpin Shin Kane-maru.

Among potential successors SDP Secretary General Sadao Yamahana, an outspoken promoter of party reform and 14 years younger than 72-year-old Tanabe, is seen as one of the most promising aspirants to the party leadership.

With the next regular Diet session starting January 22 the new leadership will likely be decided in talks among the different party factions prior to the elections to avoid a succession struggle, party sources said.

SDP Urged To Abandon 'Marxist Philosophies'*OW2512104492 Tokyo KYODO in English 1036 GMT
25 Dec 92*

[Text] Tokyo, Dec. 25 KYODO—Prime Minister Kiichi Miyazawa on Friday advised the country's main opposition party, the Social Democratic Party (SDP), to hurry up and abandon Marxist philosophies because voters are "too scared" to vote it into power.

The Japanese public is "too scared to choose a change" in government because the largest opposition party still embraces political philosophies that the former Soviet Union has abandoned, Miyazawa said in a taped interview.

"I want the (SDP) to hurry up and throw out Marxism and become a party that can provide a change in government," Miyazawa said in taped interview with a local television station from Hiroshima, his home constituency.

He conceded that Japan would be at a loss, however, in dealing with a change in government after the Liberal Democratic Party's 37 years of uninterrupted rule.

"We have never had a change of government, so we have no rules," for turning over the reins of control, he said.

Miyazawa's remarks come as the SDP was making preparations to elect a new party leader to replace Makoto Tanabe.

Tanabe announced Thursday he would step down, saying the leading opposition party needs a more youthful leader.

Left-leaning SDP Secretary General Sadao Yamahana is one of the favored contenders for the top SDP post.

Miyazawa Views Economic Recovery in Interview*OW2512132292 Tokyo NHK General Television
Network in Japanese 1000 GMT 25 Dec 92*

[Text] Prime Minister Kiichi Miyazawa said that the government may introduce some additional measures to stimulate the economy, if necessary. He was interviewed by local television stations in his hometown of Hiroshima today. The interview will be televised as the New Year's interview with the prime minister.

Prime Minister Miyazawa said that the comprehensive package of economic programs unveiled last August was of an unprecedented scale and included various public work projects. He suggested that the economic package will take effect by the end of the first half of next year. He added that, in compiling the fiscal 1993 budget, this impact will be taken into consideration.

Mr. Miyazawa indicated that the economic slump has already bottomed out, but the government would consider additional measures to stimulate the economy, if

necessary. It is believed that his remarks suggested the possibility of compiling a supplementary budget in fiscal 1993.

Asked if he already has definite plans to compile the 1993 supplementary budget, Prime Minister Miyazawa answered that what he tried to say was that the government is ready to start thinking about additional measures when it becomes necessary.

Defense, Aid Appropriations Restored in Budget*OW2512143692 Tokyo KYODO in English 1414 GMT
25 Dec 92*

[Text] Tokyo, Dec. 25 KYODO—The Finance Ministry has agreed to requests by the Defense Agency and the Foreign Ministry to revive some fiscal 1993 defense and foreign aid appropriations previously cut when compiling its draft budget, cabinet ministers said Friday.

The accords were reached in one-on-one meetings between Finance Minister Yoshiro Hayashi and Defense Agency Director General Toshio Nakayama and Foreign Minister Michio Watanabe, the ministers said.

Nakayama told a news conference the Finance Ministry had agreed to jack up defense spending to 4,646 billion yen, for a 1.95 percent year-on-year rise over the initial budget in the current fiscal year.

The ratio marked the slowest growth in 33 years since 1960, when the defense outlay grew by only 0.6 percent.

The fiscal 1993 defense expenditures account for 0.937 percent of Japan's expected gross national product (GNP), the smallest ratio in 11 years since 1982, when the defense outlay represented 0.933 percent of national output, he said.

In 1976, Japan sketched out a self-imposed budgetary ceiling holding defense outlays to less than one percent of GNP, but scrapped it in 1987 to implement a five-year defense buildup program under the administration of then Prime Minister Yasuhiro Nakasone.

Following talks with Hayashi, Watanabe told reporters that the Finance Ministry had agreed to revive some previously cut official development assistance (ODA) expenditures, raising the general account portion of the overall ODA budget to 1,014 billion yen.

On top of the general account, the government plans to appropriate some 675 billion yen for ODA spending in the form of yen loans by marshalling the financial resources of the fiscal loan and investment program, Finance Ministry officials said.

The growth in overall ODA outlay stands at 6.5 percent, the smallest in five years, but much higher than the 0.2 percent growth to 72,354.8 billion yen of the fiscal 1993 general account as a whole.

The Finance Ministry was forced to adopt an austere fiscal policy under the constraints of dwindling tax

revenues and a burgeoning budget deficit that will mount to 182 trillion yen at the end of the next fiscal year, they said.

Although the ministry held the growth of general operating expenditures under the general account to 3.1 percent, it bolstered public works spending by 4.8 percent with an eye to spurring the floundering economy, they said.

The ministry also provided for a rise of more than 13 percent in the fiscal loan and investment program, dubbed the "second budget," a financial facility drawing strength from citizens' postal savings and national pension funds, they said.

Nakayama said the ministry revived a 5.3 billion yen outlay to finance construction of additional barracks for the Self-Defense Forces, 3.2 billion yen to fund repairs of roads leading to military bases, as well as 500 million yen to fund a feasibility study for moving runways of the Air Force base in Iwakuni, Yamaguchi Prefecture.

The ministry also revived an 800 million yen outlay to help U.S. Forces pay rental fees for plots of land the forces have rented from Japanese landowners in the island of Okinawa, he said.

Watanabe said the Finance Ministry agreed to increase the grant-in-aid appropriation to developing nations by 7.5 billion yen to 243.09 billion yen.

Also agreed to was a Foreign Ministry request to increase the number of ministry personnel by 140, he said.

Expenditures to finance construction of Japanese Embassy facilities and refurbish their equipment was increased by 2.9 billion yen to 24.47 billion yen, Watanabe said.

The outlay for emergency radio communication equipment and satellite-linked telephone equipment to deal with growing cases of abductions of Japanese citizens in foreign lands will be upped by 459 million yen to 2.24 billion yen, he added.

Cabinet Approves Increase in Investment, Loans

*OW2612070592 Tokyo KYODO in English 0648 GMT
26 Dec 92*

[Text] Tokyo, Dec. 26 KYODO—The cabinet Saturday approved a 12.2 percent rise to 45,770.6 billion yen in the fiscal investment and loan program for fiscal 1993, starting next April 1, a move seen by analysts as a bid to stimulate the slumbering economy and improve the quality of life.

The program is mostly funded by postal savings and public pension funds managed by the government.

It is compiled separately from the main budget, and its scale is usually equivalent to about 60 percent of the general account, though larger than the account's general outlays for policy purposes.

With tax revenues, the major source of funds for the general account, projected to fall 1.9 percent to 61,303 billion yen in fiscal 1993, the program is drawing strong attention as a means to buoy the economy.

Although the program is known as the alternate budget, some economists predict the scale of the program could surpass that of the general account by the 21st century.

The fiscal investment program was expanded by 10.9 percent in fiscal 1992, excluding additions made under the supplementary budget.

The cabinet endorsed plans to allocate 5,870.9 billion yen for public works spending in the program, up 12.4 percent from the program in the original fiscal 1992 budget. Officials hope the high growth will contribute to improving the nation's social infrastructure.

Funds provided to government-affiliated financial institutions in the program gained 13.0 percent to 25,024.7 billion yen, a move aimed at spurring capital spending by business corporations while providing smooth access to funds for smaller firms.

Some minor adjustments were made in conditions for loans extended through Housing Loan Corp., such as an easing of the ceilings on applications for soft loans. The government hopes this will support the recovery in the housing market, the officials said.

Local public institutions will receive 5,700 billion yen in the program, up 16.4 percent, to improve local social infrastructure, they said.

The figure brings the total scale of the fiscal investment program outside of managed funds to 36,595.6 billion yen, up 13.4 percent from fiscal 1992. The rest of the funds are managed on the financial markets.

Meanwhile, allocations for the export-import bank of Japan rose 5.5 percent to 1,430 billion yen. The money for promoting imports ballooned 28.4 percent to 258 billion yen.

The upper limit on purchasing foreign bonds issued by international organizations is tripled to 300 billion yen.

Many analysts welcomed the expansion of the program in the short run, saying it would support the recuperation of the ailing economy.

But they also expressed concern over excessive reliance on the program, saying the source of its funds is different from tax revenues, which do not need to be reimbursed.

Government Approves Budget Plan for Fiscal 1993

*OW2612064392 Tokyo KYODO in English 0624 GMT
26 Dec 92*

[Text] Tokyo, Dec. 26 KYODO—The government Saturday approved a restrained fiscal 1993 national budget

calling for marked increases in public works spending and assistance to developing countries despite falling tax revenues.

The budget plan, endorsed at a special cabinet meeting, held the general-account budget to 72,354.8 billion yen for the year starting next April 1, up a marginal 0.2 percent from the current year's original budget.

This represents the lowest growth since a 0.02 percent rise in fiscal 1987.

General operating expenditures, the core of the budget, will grow 3.1 percent to 39,916.8 billion yen for the lowest year-on-year growth since fiscal 1988.

Despite the overall belt-tightening policy, the budget recommended a remarkable 4.8 percent increase in public works spending to 8,565.4 billion yen to rev up the economy.

The budget also earmarks 1,014.4 billion yen for Official Development Assistance (ODA), up a sharp 6.5 percent.

In contrast, the budget capped the growth of defense spending at 1.95 percent, the smallest expansion in 33 years, with the total amount coming to 4,640.6 billion yen.

Outside the general operating expenditures, debt-servicing costs will fall 6.1 percent to 15,442.3 billion yen.

The central government's tax grants to local governments will also decline 1.0 percent to 15,617.4 billion yen.

On the revenue side, the government will increase new borrowing through issues of construction bonds by 11.7 percent to 8,130 billion yen to cover an estimated 1.9 percent fall in tax revenues to 61,303 billion yen.

Defense Support Capability Stressed

*OW2612065892 Tokyo KYODO in English 0643 GMT
26 Dec 92*

[Text] Tokyo, Dec. 26 KYODO—Japan's defense budget for fiscal 1993, approved by the cabinet on Saturday, puts stress on boosting outlays for support equipment while curbing spending on front-line weaponry, reflecting the end of the cold war.

The defense budget for the next fiscal year, starting next April 1, totals 4,640.6 billion yen, a comparatively small 1.95 percent increase from the initial budget for the current fiscal year.

This marks the lowest growth in 33 years, a Finance Ministry official said.

The ministry appropriated 880 billion yen for front-line military equipment, including tanks and jet fighters, up 1.7 percent, and 124.5 billion yen for logistics and other support equipment, up 13.5 percent.

[Word indistinct] appropriations for front-line and support equipment are on a contract basis, and cover both the coming and future fiscal years.

The fiscal 1993 defense budget accounts for 0.937 percent of the nation's estimated Gross National Product (GNP), the lowest such ratio since fiscal 1982, when it stood at 0.933 percent.

The government estimates Japan's GNP for the next fiscal year at 495.3 trillion yen in nominal terms.

In 1976, then-Prime Minister Takeo Miki set a ceiling on defense spending of 1 percent of GNP to check the expansion of military spending and to assure Asian countries Japan would never again become a military power.

The Finance Ministry restored some of the cuts it had made in allocations for defense spending after it had talks with the defense agency on its budget requests.

In a draft issued last Monday the ministry proposed a defense budget of 4,631 billion yen, up 1.7 percent.

Among restored outlays is 96.5 billion yen for research with the United States on the joint development of a next-generation fighter plane, called FSX, on a contract basis. The money is to be spent in fiscal 1993 and later fiscal years, with 7 billion yen set aside for the next fiscal year.

In addition, the ministry restored an appropriation of 3.2 billion yen to prevent noise caused by planes taking off and landing at U.S. bases. The ministry draft had proposed outlays of 162.7 billion yen for that purpose.

It also earmarked an additional 5.3 billion yen for the construction of military, family houses, and other living-related facilities for Self-Defense Forces personnel, bringing the total amount to 124.5 billion yen for the next fiscal year.

On front-line weaponry, the Defense Agency endorsed the ministry's budget proposal calling for deploying 20 more 90-type tanks, nine Multiple Launch Rocket Systems (MLRS), four F-15 U.S.-made interceptor fighters, and two Airborne Warning and Control System (AWACS) planes.

The ministry boosted its annual allocation for sharing the cost of maintaining U.S. Forces stationed in Japan by 10.9 percent to 229.6 billion yen on a contract basis, which is not only for fiscal 1993 but also later fiscal years.

Prime Minister Extols Budget

*OW2612091492 Tokyo KYODO in English 0854 GMT
26 Dec 92*

[Text] Tokyo, Dec. 26 KYODO—Prime Minister Kiichi Miyazawa extolled the fiscal 1993 draft budget endorsed

by his cabinet Saturday as excellent and expressed hope that it will help prop up the domestic economy, government officials said.

Miyazawa, thanking cabinet ministers for efforts to compile the budget, said he was pleased with "the excellent budget which had been drafted under the severe circumstances," the officials said.

The utmost effort was made to stimulate the domestic economy in the course of drafting the budget, and both central and local governments joined forces to play the role of locomotives to bring about early recovery, he said.

Miyazawa said the new budget is also aimed at attaining his government's goal of boosting the people's quality of life, according to the officials.

Miyazawa's official spokesman Yohei Kono said the new budget reflects the Miyazawa government's goals of stepping up Japan's international contributions, including aid to developing countries.

Chief Cabinet Secretary Kono described the budget as "well balanced."

Economists View National Budget

*OW2612070992 Tokyo KYODO in English 0651 GMT
26 Dec 92*

[Text] Tokyo, Dec. 26 KYODO—The government Saturday endorsed a conservative national budget for fiscal 1993, featuring marked increases in demand-stimulating public works projects and assistance to developing countries despite the overall belt-tightening.

Economists and politicians, however, are already discussing supplementary fiscal spending for fiscal 1993 to boost the slumping economy.

The budget, which was approved by the cabinet in a special meeting, put the general-account budget at 72,354.8 billion yen for the year that starts on April 1, up 0.2 percent from the previous year's original budget. It is the lowest growth since fiscal 1987, when the overall spending rose 0.02 percent.

The general operating expenditures, the core of the budget covering social welfare, education, defense, public works, and other government projects, will grow 3.1 percent to 39,916.8 billion yen for the smallest expansion since fiscal 1988, when they picked up only 1.2 percent.

The main concern for budget drafters is Japan's economy, which is going through the second-worst downturn in the postwar period.

They boosted public works spending by a brisk 4.8 percent to 8,565.4 billion yen to jack up sluggish domestic demand.

In addition, spending on the public works financed by the fiscal investment and loan program, which is outside the general account, rose 12.2 percent to 45,770.6 billion yen.

Economists in the private sector, however, said spending on public works in the budget in fact shrank from the revised outlay in fiscal 1992.

Masaru Takagi, chief economist at Fuji Research Institute Corp., said the overall outlay for public works, including those financed by the central and local governments as well as by the fiscal investment and loan program, fell 5.7 percent in the draft budget from that in the supplementary budget in fiscal 1992.

Takagi said the fiscal 1993 budget plan as it stands "is far from stimulative for the economy."

Another outlay given special treatment was Official Development Assistance, which rose 6.5 percent to 1,014.4 billion yen, though the rate of increase is lower than the 7.8 percent growth in fiscal 1992.

In sharp contrast, the increase in defense spending was capped at 1.95 percent to 4,640.6 billion yen, reflecting global detente following the collapse of the Eastern bloc.

Debt-servicing costs were cut by 6.1 percent to 15,442.3 billion yen, mainly by postponing the payments.

Tax grants to local governments were trimmed 1.0 percent to 15,617.4 billion yen.

These cuts were made in an attempt to cover falling tax revenues. The Finance Ministry is anticipating a 1.9 percent fall in tax revenues in fiscal 1993 to 61,303 billion yen, for the first contraction from the previous year's original revenue estimation since fiscal 1983.

In another step to secure revenues, the Finance Ministry decided to increase new borrowings through issues of construction bonds by 11.7 percent to 8,130.0 billion yen.

The new debts account for 11.2 percent of the government's total income in fiscal 1993, up from 10.1 percent in the current year.

The government's total debts will balloon to about 182 trillion yen at the end of fiscal 1993 from some 176 trillion yen a year earlier.

Few economists or politicians really believe the budget will be able to provide a sufficient boost for the sputtering economy.

"There is already a consensus among policy-makers that the economy needs supplementary spending in order to take an early upturn," said Juichi Wako, an economist at Nomura Research Institute.

Prime Minister Kiichi Miyazawa hinted Friday that the government will put together a sizable supplementary budget for fiscal 1993 if the economy continues limping.

Analysts believe the government will announce such a package before the annual summit meeting of the Group of Seven (G-7) major industrial countries slated for July in Tokyo.

The government is worried that Japan will face strong calls from its G-7 partners to do more to stimulate domestic demand to pull the economy out of its slump.

Also increasing the likelihood of another spending package is that a general election for the House of Representatives, the lower house of the Diet, is expected to be held sometime in 1993, probably after the G-7 summit.

Nomura Research Institute's Wako said he expects an 8 trillion yen package in the April-June quarter, including 2 trillion yen in income tax cuts paid for by deficit-financing bonds.

The Finance Ministry, which is dead set against issuing more deficit-financing bonds, has rejected calls from opposition parties and businesses for income tax cuts, saying such cuts would lead inevitably to new borrowing under current fiscal conditions.

But economists criticize the ministry's stance against a bond issuance, saying the government's growth target of 3.3 percent in fiscal 1993 is beyond reach even with a large fiscal stimulus package.

Fuji Research Institute's Takagi said he believes it would be natural to issue deficit-financing bonds in an economic downturn as sharp as the current one.

He is expecting a spending package of over 10 trillion yen early in the new fiscal year, including 7.5 trillion yen in additional public works expenditures.

Even with that amount of supplementary spending, the economy will only grow at a modest 2.8 percent in annual terms, he predicted.

Most economic research institutes in the private sector forecast a growth rate below 3.0 percent, and are calling for a pump-priming package of over 5 trillion yen.

The government has revised its growth projection for fiscal 1992, which ends March 31, 1993, to 1.6 percent from the original 3.5 percent.

"I wonder why the Finance Ministry has compiled such a run-of-the-mill budget plan in the face of the harsh downturn," Takagi said.

"We need more drastic actions, without delay," he said.

Finance Minister Interviewed on 'Priorities'

OW2712051492 Tokyo NHK General Television
Network in Japanese 1415 GMT 26 Dec 92

[Interview with Finance Minister Yoshiro Hayashi by NHK commentator Takehiko Mizuki; at the Finance Ministry building; date not given; from the "News 21" program—recorded]

[Text] [Mizuki] Mr. Minister, only one week has passed since you assumed the post of finance minister, and you have been busy compiling the draft budget for fiscal 1993. I would like to thank you for your troubles. What is your impression?

[Hayashi] I felt the gravity of my responsibility and I worked to compile the draft budget with a sense of that responsibility. The fiscal situation is very difficult, and the economy remains stagnant. I felt the need to compile a draft budget that would be able to put the economy on the course to growth. I worked to compile the draft budget with that point in mind.

[Mizuki] In particular, tax revenues are anticipated to fall from this year, which is unprecedented.

[Hayashi] Yes.

[Mizuki] What priorities did you have in mind when the draft budget was compiled?

[Hayashi] The principle of the fiscal policy is to balance revenues and expenditures. I am concerned about the revenues, which is an important issue. In my opinion, it is very important that we should not leave a fiscal deficit for the future. In that sense, we took a stance not to issue deficit-covering bonds. The government has succeeded in discontinuing the issue of deficit-covering bonds after the passage of 15 years. I intend to keep that principle intact. If we borrow money because we are in a difficult fiscal situation, this debt will be left to our sons and grandsons. We should not do that. As I have just mentioned, since our fiscal situation is very difficult, I think that we should save what we need to save. I think that we should manage the fiscal policy this way. I intend to curb ordinary expenditures and increase investment expenditures for new projects that will contribute to the future.

[Mizuki] The issue of deficit-covering bonds was avoided, but the issuance of bonds to finance construction projects was increased. I am a bit concerned about it. What do you think?

[Hayashi] As for the bonds to finance construction projects, they generate assets in the future. For this reason, I treated the bonds to finance construction projects separately from the so-called deficit-covering bonds, and I think that we should do so in the future. It is true that since the bonds to finance construction projects will serve to improve the present state of the economy, their issuance increased. My view is that consideration must be given to keeping revenues and

expenditures balanced in order not to leave the past to the future, even if the bonds to finance construction projects generate assets.

[Mizuki] The draft budget attaches great importance to stimulating the economy.

[Hayashi] Yes, you are right.

[Mizuki] Mr. Minister, how do you see the effect of the draft budget on the economy and the future economic outlook?

[Hayashi] Private enterprises and people are mentioning the economy in various ways. The government has announced a 10.7-billion-yen pump-priming package, and the package has begun to be implemented. Since last April, the official discount rate has been lowered five times. I believe that a series of these measures will have the effect of stimulating the economy. For example, personal spending is showing signs of recovery, and the sale of housing also is showing signs of a considerable increase. Private investments in plants and equipment, which sharply declined in the past, are showing signs of recovery. There are various views on this trend, but I think that we should think of various ways to stimulate the economy with those moves in mind. In addition to the 10.7-billion-yen pump-priming package, the draft budget gives consideration to economic stimulation. I think that these measures will stimulate the economy. The government estimates the growth in fiscal 1993 at 3.3 percent. While some quarters say the government's estimate of a of 3.3-percent economic growth in fiscal 1993 is too optimistic, I do not agree with that opinion. I believe we can achieve that figure.

[Mizuki] The Miyazawa cabinet has announced plans to build Japan into a state capable of providing a better quality of life for its people.

[Hayashi] Yes, it has.

[Mizuki] I think that you had many difficulties managing the government's finances and the economy with limited financial resources. What you think of the plans?

[Hayashi] We gave consideration to the improvement of the people's lives when we set budgets for public works projects. Investments in the construction of new sewage systems, parks, and industrial-waste disposal plants were increased 7 percent, compared to an average increase of 4 percent for public works projects. Under the plans, working hours will be shortened and legislative actions will be taken to that end. The draft budget gives consideration to these points. The draft budget also gives full consideration to small businesses. I do not think that the plans to build Japan into a state capable of providing a better quality of life for its people have been abandoned. I think that we compiled the draft budget taking into account the importance of the plans.

[Mizuki] The defense budget had been a focus in compiling the draft budget for fiscal 1993.

[Hayashi] Yes, you are right.

[Mizuki] The defense budget was cut by a little less than 2 percent, the lowest growth in 33 years. Some argue that now that the world has drastically changed, the defense budget should have been cut further. How are you going to handle the defense budget in the future? What do you think of the revision of the Medium-Term Defense Buildup Plan?

[Hayashi] Japan has the guideline for defense, which sets the basics concerning defense. The guideline also sets the Medium-Term Defense Buildup Plan, which was recently revised by the government, taking into account the changing international situation. We cut the budget for the purchase of frontline military equipment, based on the revised plan. However, we had to give full consideration to the Self-Defense Forces [SDF] personnel. In particular, we gave full consideration for budgeting for food and the construction of barracks for SDF members. We increased the budget for that purpose. We are in a very difficult fiscal situation, and as you just indicated, some are arguing for further cuts in the defense budget. Therefore, we compiled the draft budget with that argument in mind. The defense budget for fiscal 1993 will grow by 1.95 percent.

[Mizuki] This is my last question. I would like to ask how you plan to manage the economy in 1993. How are you going to manage the economy in response to future economic trends?

[Hayashi] I think that the basic and most important measures will be to put the economy on a track of continuous growth led by domestic demand. As I just mentioned, in the course of compiling the draft budget, we gave substantial consideration to public works projects and investments. I am firmly convinced that once these programs take effect, economic management will move toward a favorable orientation. I will have to attend the Diet for various debates. I am resolved to try hard with my head held high.

[Mizuki] If the economy does not go smoothly, the government will not be able to secure its needed revenues. [laughing]

[Hayashi] Yes, you are right.

[Mizuki] And the Finance Ministry will run into trouble in securing revenues.

[Hayashi] Yes, you are right.

[Mizuki] Looking at various things, the economic outlook still remains unclear. Some are voicing the need to compile a supplementary budget only after the government has completed compiling the draft budget. Others also are voicing the need to issue short-term deficit-covering bonds and cut income tax. Mr. Minister, what do you think of these voices?

[Hayashi] I do not agree with the idea that the government needs to cut income tax in order to stimulate the

economy. We have to secure financial resources. If we fail to secure them, we would face the issue of issuing deficit-covering bonds and leaving the financial burden for the future. As to the notion of the need to issue short-term deficit-covering bonds, I think that it is very difficult for us to issue them unless we have a clear prospect of how we can issue them and what effect they can yield. I do not believe that consumption will increase immediately as a result of income tax cuts, and thereby economic activities will take a turn for the better. I think that income tax cuts will not lead to increased consumption. Therefore, I believe that cutting income taxes is not the way we will go in the future.

[Mizuki] I think the government's immediate task is to secure the earliest passage of the draft budget in the Diet. What about flexible management of the government's finances depending on future economic developments? Are you willing to do this?

[Hayashi] I think that it is necessary to have the draft budget passed in the Diet as soon as possible. For now, I do not think that the management of the government's finances will be made to look ridiculous. Therefore, I will try hard from now on. Generally speaking, I will have to think of various things whenever I encounter difficulties. For now, I am thinking about how to get the draft budget passed in the Diet as soon as possible. If we disburse the passed budget as planned, we would be able to fully cope with economic difficulties. I firmly believe that we will be able to manage the economy in the direction we have planned.

[Mizuki] Thank you very much for granting this interview despite your busy work.

[Hayashi] Thank you.

Speaks at News Conference 26 Dec

*OW2612082992 Tokyo KYODO in English 0822 GMT
26 Dec 92*

[Text] Tokyo, Dec. 26 KYODO—Finance Minister Yoshiro Hayashi Saturday lauded the fiscal 1993 draft budget assembled by his finance bureaucrats, saying it will provide a good kick to the weak economy.

At a press conference following a special cabinet meeting that approved the spending plan, Hayashi said that the budget is well focused on important fiscal demands.

"I would like to say it deserves considerably high marks if not full marks," he said, and described the new budget as "well-balanced and target-oriented".

Hayashi said the economy is "not in a hopeless state."

Combined with the 10.7 trillion yen fiscal stimulus package announced in late August and the aggressive monetary easing since July 1, 1991, the fiscal 1993 budget will likely put the economy on a recovery path, he said.

Tokyo Stock Exchange Volume Falls to 10-Year Low

*OW2812082492 Tokyo KYODO in English 0759 GMT
28 Dec 92*

[Text] Tokyo, Dec. 28 KYODO—The absence of two key groups of stock buyers sent trading volume on the first section of the Tokyo stock exchange to its lowest in more than 10 years on Monday.

With foreign investors and public pension and other funds virtually unseen, just 117.19 million shares changed hands as the key Nikkei stock average dropped more than 2 percent.

It was the thinnest trading since the 112.10 million shares of August 16, 1982, falling below this year's previous low of 121.42 million shares during an August plunge.

Foreign investors were taking Christmas vacation and public fund managers were busy closing their books for 1992 as their December accounts ended Friday, players said.

In addition, typical Monday caution converged with end-of-the-year reticence to keep all but the bravest out of the market, they said.

Foreigners and public funds—to which the government essentially lends trillions of yen to invest—have been key props in the stock market's recent teetering recovery, traders say.

Yasuo Ueki, general manager of equities operations at Nikko Securities Co., said foreigners may return to the Tokyo market before the year's close on midday Wednesday but that the public funds were likely to be gone until January.

Scientists To Develop High Converter Reactor

*OW2712090092 Tokyo KYODO in English 0843 GMT
27 Dec 92*

[Text] Tokyo, Dec. 27 KYODO—Japan's Atomic Energy Research Institute will start a new scientific program to develop a high converter reactor that can efficiently use plutonium, officials said Sunday.

The Atomic Energy Commission has already begun studying if the plan should be included in the long-term plan of the nation's basic nuclear energy policy.

The high converter reactor, if developed, is expected to prevent a buildup of excess plutonium because the nation's plan to develop the fast breeder reactor (FBR), which is hoped to consume much of the nation's plutonium supplies, has been delayed, the officials said.

The high converter reactor is a new type of nuclear reactor which uses a combination of uranium and plutonium. It uses light-water for cooling its reactor like a light-water reactor.

The spaces between each fuel rod in the new reactor are narrower than those in current light-water reactors so that the quantity of cooling water between fuel rods can be reduced.

When the fast breeder reactor is put into practical use, the high converter reactor can be changed to consume only uranium like conventional nuclear reactors by changing its reactor structure and arrangements for fuel rods, the officials said.

The institute started studying the high converter reactor in 1985 and has concluded recently that it is possible to develop the reactor using the related systems and techniques used in light-water reactors.

Japan has a policy of not possessing unnecessary plutonium.

The plutonium supply, however, is expected to reach 85 tons by 2010, 30 tons of it enriched and shipped from Europe, and 55 tons reprocessed at domestic plants.

The Science and Technology Agency expects the supply to meet the demand for fuel, which is forecast to be about 35 tons for fast breeder reactors and 50 tons at existing nuclear power plants.

The semi-governmental Power Reactor and Nuclear Fuel Development Corp. is developing a prototype fast breeder reactor, called "Monju" in Tsuruga, Fukui Prefecture, central Japan, but the project has been delayed.

The government has not yet decided on other sites for building more fast breeder reactors.

Some scientists doubt if the existing nuclear power plants will consume 50 tons of plutonium because it costs more than uranium fuel.

North Korea

Daily Accuses U.S. of Masterminding Division

SK2812140792 Pyongyang Korean Central
Broadcasting Network in Korean 0015 GMT 28 Dec 92

[NODONG SINMUN 28 December special article: "The U.S. Imperialists Mastermind the Blocking of the Country's Peaceful Reunification"]

[Text] Historically speaking, the U.S. imperialists are the masterminds behind the vicious obstruction of peace and reunification of our country. Recently, the U.S. imperialists decided to resume the Team Spirit joint military exercise with the South Korean rulers. This is none other than a premeditated maneuver to block peace and reunification on the Korean peninsula.

In the 1990's, the situation on the Korean peninsula has favorably developed in step with our fellow countrymen's desire for peace and reunification. The delegates to the North-South high-level talks have held talks eight times. As a result, they accepted and validated the

Agreement on the North-South Reconciliation, Nonaggression, and Cooperation and Exchanges; the Joint Declaration on Denuclearization of the Korean Peninsula; and the annexed agreements to implement the joint declaration. This has been a new historic move in putting an end to the political and military confrontation between the North and South that had lasted for about half a century. It has also been a move toward opening a substantial phase for national reconciliation, unity, peace, and reunification.

At this moment, while babbling about the nonexistent suspicion of the North's nuclear development, the U.S. and South Korean authorities decided to take another very dangerous military measure of resuming the Team Spirit joint military exercises and of deploying the U.S. Air Force and Navy as flexible deterrence option forces in South Korea even before there was an emergency.

U.S. and South Korean authorities are babbling about our nuclear issue. This proceeds not from an issue concerning us, but from an impure purpose of their own plotting; namely, this is the offspring of a criminal attempt to aggravate severely the situation on the Korean peninsula, station U.S. forces and nuclear weapons in South Korea under the pretext that a situation exists, and realize their ambition of invading the North through a blitzkrieg nuclear war.

The integrity of our resolve for denuclearization and peaceful nuclear policy has been proven. We are repeatedly undergoing irregular inspections [pichonggi sachal] by the International Atomic Energy Agency [IAEA].

U.S. and South Korean authorities had discontinued the Team Spirit joint military exercise before the IAEA conducted nuclear inspections of our facilities. Now, however, when we are undergoing IAEA inspection and when the integrity of our peaceful nuclear policy becomes clear, U.S. and South Korean authorities are claiming that the Team Spirit joint military exercise are conducted under the pretext that there are concerns about the North's nuclear development. This is simply a far-fetched allegation.

The great leader Comrade Kim Il-song has taught: The tense situation prevailing on the Korean peninsula and the danger of nuclear war there are direct results of the U.S. policy toward Korea and its Asian strategy.

Whenever a sign of detente appeared on the Korean peninsula and whenever the U.S. policy of occupying South Korea and its colonial rule was shaky, the U.S. imperialists aggravated the situation on the Korean peninsula by spreading the rumor of a southward invasion threat. The rumor of nuclear suspicion, that the United States and the South Korean rulers are babbling about, is a variant of the antiquated rumor of a southward invasion threat.

The new military commotions, which the United States and the South Korean authorities are starting, remind our people of the activity that U.S. and South Korean

authorities conducted shortly after the 4 July North-South Joint Statement was announced in the early 1970's.

For the first time in the history of division, the 4 July Joint Statement based on the three principles of independence, peaceful reunification, and the great national unity was announced. This was a historic event capable of peacefully resolving national reunification and capable of ending the tragedy of division. All fellow countrymen supported and welcomed the announcement of the joint statement. At this time, the United States, not satisfied with the joint statement, instigated the South Korean authorities to become confrontational and antagonistic. It forced Pak Chong-hui, the former South Korean dictator, to implement a policy to perpetuating the Korean division through the 23 June Special Declaration.

While babbling about dialogue based on strength, the United States has said it will press ahead with a plan to modernize the South Korean Army. It has said that it does not plan to reduce U.S. forces in South Korea. It has constantly brought new military equipment into South Korea and incessantly kicked off aggressive war exercise commotions. The Team Spirit joint military exercise, which the U.S. imperialists are clamoring to resume, began at that time.

Since then, the U.S. imperialists have instigated the South Korean authorities to reject all our proposals for peace and reunification. While beefing up the armed forces in cooperation with the South Korean authorities, and while expanding and escalating the Team Spirit nuclear war exercises, the U.S. imperialists have pushed the situation on the Korean peninsula to the brink of war. In spite of our fellow countrymen's unanimous desire, the peace and reunification of Korea have been delayed. It is clear that the U.S. imperialists and the South Korean rulers who follow them should be held responsible.

Now when the balance of power has changed on a worldwide scale and the Cold War has ended, the U.S. imperialists are babbling as if they have given up the policy of strength. They also are babbling on as if they desire peace and reunification on the Korean peninsula. This, however, is a presumptuous and deceptive maneuver, as proven by the current situation in which the U.S. imperialists are kicking off nuclear commotions and intervening in Korean affairs.

Sometime after the historic North-South agreement was accepted, U.S. President Bush visited South Korea. While saying that it was a hasty measure to accept the agreement before the resolution of the North's nuclear issue, he put pressure on the South Korean authorities to postpone implementing the agreement.

The U.S. imperialists have aggravated tension on the Korean peninsula by constantly conducting large-scale war exercises such as Focus Lens, thereby openly blocking progress in North-South relations.

Regardless of our protests and warnings, by mobilizing as many as three million troops from U.S. forces occupying South Korea, U.S. forces based in overseas countries, the South Korean puppet army, and other military armed forces, the U.S. imperialists in cooperation with the South Korean ruling authorities conducted 92 Eagle and Hwarang military exercises. As a result, the first meetings of the North-South Joint Committees, which had been scheduled to be held in November, could not be held.

The ninth round of the North-South high-level talks which had been scheduled to be held beginning on 21 December was not held, because the U.S. imperialists and the South Korean rulers persistently refused to retract their decision to resume the Team Spirit joint military exercise.

It is clear why the United States has concealed nuclear weapons in South Korea, why it has pulled the strings in South Korea's nuclear armament, why it has conducted nuclear war exercises to invade the North, and why it has made insidious remarks about our nonexistent nuclear weapons. This is precisely aimed at reversing the situation on the Korean peninsula that was headed toward detente and reunification. It is aimed at justifying their policy and maneuvers to occupy South Korea and turn South Korea into a nuclear base. By using the North's nuclear issue as a pretext, it is also aimed at bringing about a northward invasion war and at realizing their ambition of invading all of Korea.

The situation bespeaks that so long as the United States remains in South Korea and sticks to the policy of aggression and war, peace and reunification on the Korean peninsula cannot be achieved.

The U.S. imperialists should be held completely responsible for the consequences caused by their criminal maneuvers to occupy South Korea and to drive the situation on the Korean peninsula into a dangerous area on the brink of war.

Our fellow countrymen want to end the North-South confrontation and antagonism and realize peaceful reunification. These are also historical inevitabilities. The U.S. imperialists should retract their decision to resume the Team Spirit joint military exercise and immediately get out of South Korea with their aggression troops and nuclear weapons.

Daily Denounces U.S.-ROK Support Agreement

*SK2512030292 Pyongyang Korean Central
Broadcasting Network in Korean 0024 GMT 25 Dec 92*

[NODONG SINMUN 25 December commentary: "The Traitorous Group That Betrays Its Fellow Countrymen"]

[Text] The U.S.-South Korean Wartime Host Nation's Support Agreement [WHNS] was formally validated on 23 December.

The WHNS, signed by the United States and South Korea, stipulates that if a war breaks out on the Korean peninsula, the United States will dispatch its aggression forces to South Korea rapidly and that South Korea will provide munitions and military equipment for them.

The WHNS pact also stipulates that in times of peace as well as war, if necessary, the United States can beef up its aggression forces in South Korea and that if there is a U.S. demand, South Korea will provide the U.S. forces with roads, facilities, and buildings indefinitely.

In other words, the U.S.-South Korean WHNS agreement is a document of aggression giving the United States a pretext to dispatch its aggression forces to South Korea at any time, to say nothing of a northward invasion. The U.S.-South Korean WHNS agreement is also a servile and traitorous document forcing [uimulchiuda] the South Korean authorities to back the aggression forces.

The WHNS agreement is a war perpetration document that is usually signed on the eve of a war. Our fellow countrymen are apprehensive and angry that the South Korean authorities signed and validated this agreement with the United States this year.

It is widely known that the North and the South adopted and validated important agreements and the joint declaration on denuclearization, including nonaggression. These agreements and the joint declaration on denuclearization, accepted and validated between the North and the South, are dignified documents, in which the North and the South solemnly promised to all fellow countrymen and the world that the same fellow countrymen would not fight against each other, would seek reconciliation and unity, and would realize peace and reunification of the country with the national independent forces.

Nevertheless, the South Korean authorities ignored the promise to its fellow countrymen and accepted and validated the war perpetration document to undermine those same fellow countrymen in collaboration with foreign forces. How on earth can we understand their activity?

The South Korean ruling quarters validated the war perpetration document with the United States. This openly violates the North-South agreement and the joint declaration on denuclearization, betrays us, and mocks the fellow countrymen.

Although they promised reconciliation and nonaggression, face to face with us, the South Korean authorities have constantly blemished the atmosphere for North-South dialogue and obstructed the implementation of the North-South agreement.

They conducted the Eagle and Hwarang war exercises with the United States just when the first meetings of the North-South joint committees were about to be held, thus preventing the meetings from being held. They also froze the ninth North-South high-level talks by not

reversing the decision to resume the Team Spirit joint military exercise despite the repeated demands by public opinion at home and abroad.

The top person in authority in South Korea has even recently inspired the aspiration for war against the North by visiting the puppets' Army, Navy, and Air Forces near the mid-west front line.

The fact that South Korean authorities put the WHNS pact into force formally, aimed at assaulting the North with the U.S. imperialists, proves that they disregard the North-South agreement and are dreaming about achieving their ambition for reunification through a victory over Communism by provoking a war against the North with their master the United States.

Leading members of the U.S. troops and the South Korean puppet military circles have recently mapped out a strategy putting the South Korean puppet army in charge of the land and the U.S. Navy and Air Force in charge of the sea and air in the event of a war on the Korean peninsula and decided to rapidly deploy the U.S. Navy and Air Force in South Korea according to this strategy. This is also aimed at provoking a war against the North. We cannot watch idly as the United States and the South Korean rulers put the WHNS pact into force.

Our nation wishes not confrontation or war, but reconciliation and reunification. If the U.S. imperialists and the South Korean rulers keep promoting provocation of a war against the North, challenging the Korean people's invariable desire, both the aggressors and nation sellers will not be able to avoid their deserved punishment.

Agreement Called 'Wanton Violation'

*SK2512053092 Pyongyang KCNA in English 0437
GMT 25 Dec 92*

[**"Military Step Increasing Danger of War Against North"**—KCNA headline]

[Text] Pyongyang December 25 (KCNA)—The South Korea-U.S. "Wartime Host Nation Support Agreement [WHNS]" signed in Seoul in November last year came into effect on December 23.

Commenting on this, papers here today say the "agreement" is a wanton violation of the inter-Korean agreement and the joint declaration on the denuclearization, perfidy to the North and a mockery of the fellow countrymen.

A NODONG SINMUN analyst says:

The effectuation of the "agreement" by the South Korean authorities with the U.S. imperialists, a document designed to attack the North, bespeaks that they, indifferent to the North-South agreement, are seeking only to gratify their wild ambition for "unifying the

country by prevailing over Communism" by starting a war against the North together with their master, the United States.

We cannot remain an onlooker to the situation created by the effectuation of the "agreement" by the United States and the South Korean rulers.

If they dare unleash a war against the DPRK in defiance of the unanimous desire of the Korean people, both the aggressors and the traitors would be severely punished.

MINJU CHOSON says the United States and the South Korean authorities must look straight at the reality, act with discretion and stop new war provocation moves in Korea at once.

Choe U-chin Urges Resumption of Nuclear Talks

*SK2912110992 Pyongyang KCNA in English 1054
GMT 29 Dec 92*

[“Press Conference on Work of Inter-Korean Joint Nuclear Control Committee”—KCNA headline]

[Text] Pyongyang December 29 (KCNA)—A press conference was called at the People's Palace of Culture here today for home and foreign reporters with regard to the work of the North-South Joint Nuclear Control Committee for the denuclearization of the Korean peninsula.

Choe U-chin, chairman of the North side to the committee, spoke at the conference.

He said the North and the South this year held meetings of the committee and contacts of members and sincerely discussed matters of the implementation of the Joint Declaration on the Denuclearization of the Korean Peninsula and made not a little progress in this process.

But the sides are greeting the new year without so much as fixing the date of the next meeting, while the discussions of the agreement on the implementation of the joint declaration on denuclearization and the rules of inspection remain unconcluded, he said, and went on: The main cause of this is that the South side has agreed with the United States to resume the “Team Spirit” joint military exercises, a large-scale nuclear war game, against the North, its dialogue partner.

The South side, far from rescinding the agreement on the resumption of the “Team Spirit,” in disregard of our reasonable advice and the unanimous demand of peoples at home and abroad, is linking the North-South inspection with the “Team Spirit,” sticking to its far-fetched argument that the exercises could not but be staged unless North-South inspection is made before the 9th North-South high-level talks according to the rules laid down by it unilaterally.

Recalling that the DPRK's nuclear policy has been irrefutably proved honest through five rounds of inspection by the International Atomic Energy Agency from May, Choe said:

The South side is wholly to blame for the delay of North-South inspection.

It has intentionally created difficulties in the discussion of the rules of inspection by insisting on the so-called “principle of mutual inspection of the same number,” a principle ignoring the specific conditions of the Korean peninsula, and persistently calling for “special inspection” and “inspection of ordinary military bases” which were not included in the agreement between the sides.

He said that though the South side is talking the preposterous nonsense that the “Team Spirit” it is going to force with the United States is designed for a “posture of security”, it is nothing but a trick to cover up its criminal color.

Exposing the ulterior intention of the South side in the resumption of the “Team Spirit”, he said:

Firstly, it intends to keep the U.S. forces in South Korea by heightening the tension on the Korean peninsula that is heading for detente.

Secondly, it intends to keep the U.S. nuclear weapons in South Korea and avoid their inspection.

It intends to conceal the truth of the criminal development of nuclear arms which it has promoted covertly behind the scene of the smear campaign about the fictitious “nuclear arms development” by the North, and develop them at any cost.

Since the South side's development of nuclear weapons has become all the more undisguised and it was disclosed recently that it had reached a grave stage, an early inspection of the North and the South has become more urgent for us.

We hope that the South side, though belatedly, will come out to the meeting of the Joint Nuclear Control Committee at an early date to tide over the difficulties in the way of implementing the joint declaration and in denuclearizing the Korean peninsula, deeply conscious of the important mission and duty of the joint committee.

Choe U-chin answered questions put by reporters.

Daily Blames South for Blocking Denuclearization

*SK2212041492 Pyongyang Korean Central
Broadcasting Network in Korean 0021 GMT 19 Dec 92*

[NODONG SINMUN 19 December commentary: “Who Is Blocking Denuclearization”]

[Text] The criminal maneuvers of the South Korean authorities who attempt to frustrate the implementation of the joint declaration on denuclearization the Korean peninsula are becoming obvious. Such maneuvers by the South Korean authorities surface because they are trying to violate the joint declaration on denuclearization and to resume the Team Spirit nuclear war exercise to invade

the North at all costs, thus attempting to delay indefinitely the discussion of North-South nuclear inspection regulations and nuclear inspection.

The South side even avoided designating the date for the next meeting at the 13th meeting of the North-South Joint Nuclear Control Committee [JNCC] held on 17 December. This is nothing but criminal maneuvers designed to break off the JNCC itself and block the implementation of the joint declaration on denuclearization. It is ridiculous for South Korean rulers to babble on as if we are causing the North-South nuclear inspection delay and to make it the precondition to revoke their decision to resume the Team Spirit joint military exercise. This is merely a ruse to cover up its criminal activity in delaying and avoiding the implementation of the the joint declaration on denuclearization and shift the blame to us.

As the whole course of the North-South JNCC meetings shows, it is the South Korean authorities who have placed obstacles in the way of the implementation of the joint declaration on denuclearization. Since the South side began the JNCC meeting, it has reverted the two sides' agreement and delayed the discussion on issues, while contending that the agreement for implementation, which includes specific measures to implement the joint declaration, is not necessary. This is well known.

Even when the South side opened the discussion on inspection regulations, it persistently came up with the so-called special inspection and inspection of ordinary military bases, which are not stipulated in the points of agreement, while being dead set against overall inspection of the U.S. nuclear weapons and nuclear bases in South Korea, thus delaying the discussion on inspection regulations and aborting the North-South nuclear inspection.

The South side delayed the nuclear inspection. Nonetheless, it said that it cannot revoke its decision to resume the Team Spirit joint military exercise under the pretext of delaying nuclear inspection. This is even more absurd.

As a matter of fact, the agreement between the North-South delegates stipulates that we receive the International Atomic Energy Agency's [IAEA] inspection after signing the nuclear safeguards agreement, while it further provides that the South side suspends the Team Spirit joint military exercise. We have sincerely discharged the obligations as stipulated in the agreement.

The South side is not making the North-South nuclear inspection in the points of agreement as a precondition to the revocation of war exercise, while planning to resume the Team Spirit joint military exercise, running counter to the agreement. Everyone will consider this preposterous. If the South Korean rulers play with fire—the Team Spirit nuclear war—jointly with the United States to invade the North, nuclear inspection cannot materialize.

The South Korean authorities are finding fault with us and trying to play with fire—war—at all costs by artificially linking the nuclear inspection issue to the Team Spirit joint military exercise. This stems from its insidious purpose to block the implementation of the North-South agreement and the joint declaration on denuclearization and to avoid the nuclear inspection after all.

It was disclosed that even after the South Korean and the U.S. authorities announced they had withdrawn the U.S. nuclear weapons from South Korea, the U.S. nuclear weapons were actually in secret underground arsenals in South Korea and the U.S. nuclear submarines were calling at naval bases in South Korea.

It was also recently reported that the South Korean authorities, at the instigation of the United States, are accelerating their maneuvers to develop nuclear weapons. The South Korean authorities are trying to place hurdles in the way of the implementation of the joint declaration on denuclearization and to delay nuclear inspection. This clearly derives from their criminal purpose to retain U.S. troops and its nuclear weapons in South Korea as they are at present, accelerate its nuclear weapon development, and provoke nuclear war to invade the North.

The South Korean authorities should concede and apologize for their criminal act of ignoring the North-South agreement and placing obstacles in the way of the realization of denuclearization on the Korean peninsula. Before it is too late, the South Korean authorities should revoke their plan to resume the Team Spirit nuclear war exercise to invade the North and respond to the resolution of nuclear issue from sincere position and stance.

Daily Denounces South for Freezing Dialogue

*SK2612035392 Pyongyang Korean Central
Broadcasting Network in Korean 0025 GMT 22 Dec 92*

[NODONG SINMUN 22 December commentary: "The South Side Is Responsible for the Freezing of Dialogue"]

[Text] The ninth North-South high-level talks scheduled to be opened in Seoul on 21 December were not held. This irritating development occurred because the South Korean authorities, despite our repeated warnings, did not withdraw their decision to resume the Team Spirit joint military exercise against us, and because they destroyed an atmosphere for dialogue by aggravating tension on the Korean peninsula.

As is known, the Team Spirit joint military exercise, which the South Korean authorities are going to conduct with the United States, is a preliminary war and a test nuclear war in which they threaten to invade the northern half of the Republic.

After positively promising reconciliation and nonaggression in adopting and implementing the agreement, the South Korean rulers have turned away from the agreement in deciding to play with fire with outside forces to

injure us, their dialogue partner and fellow countrymen. This betrays us, as well as being an open infringement to the North-South agreement.

When a dialogue partner breaks faith with the other side by conducting war exercises against the other side in collusion with outside forces, dialogue between the two sides cannot be realized. Holding face-to-face talks with one another, cannot be expected to achieve any success.

Therefore, as soon as we heard that the South Korean authorities had decided to resume the Team Spirit joint military exercise with the United States next year, we strongly denounced their behavior and repeatedly called for the cancellation of their unjust decision. At the same time we set a deadline. We warned that all dialogue and contacts between the North and South Korean authorities would be frozen if South Korea eventually holds the Team Spirit joint military exercise.

Reflected in such assertion is our patriotic position to restore tenuous North-South dialogue at all costs, to ensure the smooth implementation of the North-South agreement, and to save our fellow countrymen from the danger of nuclear catastrophe.

Nevertheless, the South Korean authorities did not retract their decision to resume a test nuclear war before the end of November—which we first set as a deadline—nor did they take any affirmative steps for its cancellation before 15 December, which we set as the next deadline. Instead, they were in a hurry to prepare the test nuclear war under an unjust pretext.

Indeed, this is an outward manifestation of their intention to break up the North-South dialogue and to stop the implementation of the North-South agreement. This is also a declaration of face-to-face confrontation. Such acts by the South Korean rulers infuriates all people. It is the South Korean authorities who are totally responsible for freezing the ninth North-South high-level talks and for blocking implementation of the North-South agreement.

The South Korean authorities are trying to avoid their responsibility for freezing talks by saying that the Team Spirit joint military exercise has nothing to do with North-South dialogue because it is a defensive exercise. They state that the North is delaying the so-called nuclear inspection. This is ridiculous.

They say that the Team Spirit joint military exercise is defensive. These remarks are preposterous. As is known, the Team Spirit joint military exercise is the fruit of the United States' aggressive strategy toward Asia. Approximately 200,000 [yisipyoman] regular armed forces—including U.S. troops from its mainland and its Asian-Pacific bases, the U.S. troops occupying South Korea, and the South Korean puppet troops—will be mobilized during the exercise. The Team Spirit joint military operation will be conducted by mobilizing ultramodern weapons and military equipment, including nuclear weapons, and judging from its size and its contents—the

operation to strike targets deep in the North, the operation to break through the Military Demarcation Line, and the landing operation—it is a thorough exercise to invade the North. Even the United States and South Korean military bosses admitted this on many occasions.

In jointly announcing their decision to suspend the Team Spirit joint military exercise this year, the United States and South Korean authorities said that they had taken such steps to help relaxing tension on the Korean peninsula and promoting North-South dialogue.

This shows that they acknowledge that the Team Spirit joint military exercise seriously affects North-South dialogue and the situation on the Korean peninsula and North-South dialogue. Nevertheless, they say that they will resume the exercise, saying that it will not affect North-South dialogue. This is nonsense.

The South Korean authorities' remarks on the doubt concerning the North's nuclear development and on its delay of nuclear inspection are, indeed, something that we should make.

As we stated, our republic has neither nuclear weapons, nor the intention or ability to develop them. Because of the purity of our nuclear policy, we repeatedly accepted the International Atomic Energy Agency's irregular inspection. It is South Korea which has a practical nuclear issue.

Approximately 1,000 U.S. nuclear weapons are deployed in South Korea. Right after a South Korean authority announced the nonexistence of nuclear weapons, it was disclosed that its nuclear submarines were entering and exiting naval bases and that U.S. nuclear weapons were hidden in a secret nuclear depot.

The South Korean authorities formulated a policy of developing nuclear weapons around the end of 1960 under the United States' instigation and strongly carried it out. It has recently disclosed that its nuclear development is now in a grave stage.

The South Korean rulers have nuclear weapons. Nevertheless, they are babbling about the North's non-existent nuclear threat. Their shameless actions are like a thief crying "stop thief." Their attempt to shift the responsibility for delaying nuclear inspection on us is a preposterous act.

Contents originally contained in the documents of the North-South agreement are that we sign the nuclear safeguards accord and accept the International Atomic Energy Agency's nuclear inspection, and that the South side stops conducting the Team Spirit joint military exercise. We have sincerely fulfilled our duties.

Without carrying out their duties as stipulated in the documents of the North-South agreement, the South side preposterously set the nuclear inspection issue as a precondition for withdrawing their decision to resume the Team Spirit joint military exercise. This is an irrational assertion to get their own way.

The South side is also responsible for delaying the North-South nuclear inspection. It has created an obstacle to the discussion of inspection regulations by desperately opposing the overall inspection of U.S. nuclear weapons and its nuclear bases in South Korea. It has even avoided setting the date of the next North-South Joint Nuclear Control Committee's meeting. This is today's stern reality.

At any rate, the South side cannot avoid their responsibility for freezing the North-South high-level talks by failing to withdraw the decision to resume the Team Spirit joint military exercise.

The South Korean rulers have decided to resume the Team Spirit joint military exercise and conducted large-scale exercises for northward invasion, such as the Eagle and Hwarang exercises. As a result, the first round of the meetings of the North-South Joint Committees in various sectors were not held. These meetings were scheduled to be held in November. In addition, they even broke up North-South high-level talks which were to be held this time.

Because of such maneuvers, the historic North-South agreement and joint denuclearization declaration are facing a great obstacle to their implementation. In addition, the agreement and declaration are in danger of being scrapped. This is because the South Korean authorities value the collusion with outside forces more than their promise to fellow countrymen. This anti-dialogue, anti-peace, and anti-reunification criminal act cannot be tolerated.

It will remain in history records as the most brutal crime committed by the South Korean Sixth Republic Government, which is at the end of its power. They will forever be cursed by our people.

The South Korean authorities should get rid of their traitorous attitude of following outside forces. They should now withdraw their decision to resume the Team Spirit joint military exercise. Thus they will be able to remove the obstacles that block North-South dialogue.

Reunification Group Claims South Delaying Talks

*SK2412111692 Pyongyang KCNA in English 1103
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—A spokesman of the Committee for the Peaceful Reunification of the Fatherland in a statement today denounced the anti-dialogue, anti-peace criminal act of the South Korean authorities who are attempting to evade their responsibility for the failure to hold the 9th North-South high-level talks as scheduled.

The North side's delegation to the high-level talks in a statement dated December 19 urged the South side to withdraw its decision to resume the aggressive "Team Spirit" joint military exercises so that the North-South dialogue and contact might be held smoothly. The South

side, however, in a telephone message on December 21 said the military exercises cannot be a reason for suspending the North-South dialogue, while asserting that "the North and the South should solve all problems between them through dialogue and negotiation."

The spokesman said:

If so, the South side should have discussed the question of resuming the "Team Spirit" with our side, the dialogue partner, before reaching agreement with the United States.

However, the South side which knows only too well that "all the problems between the North and the South should be solved through negotiation" went to the United States, an outside force, and discussed with it the resumption of the military exercises without any discussion with our side, the dialogue partner and fellow countrymen. We cannot but ask what face it has now to talk about "dialogue" and "negotiation" with us.

Moreover, we cannot but ask how the South side dare say "all problems should be solved through dialogue and negotiation" while desperately opposing a debate on the question of resuming the "Team Spirit" at the negotiating table and avoiding the designation of the date of the 14th meeting of the Joint Nuclear Control Committee.

The South side should clearly realize that it can never shirk its responsibility with such subterfuge which cannot go down with anyone, nor can its hideous crimes committed against the nation be mitigated.

Military Sources Report U.S. Air Exercises

*SK2412102592 Pyongyang KCNA in English 1004
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—The U.S. imperialist aggressors on December 22 staged a large-scale joint war exercise against the North together with the South Korean puppets, according to military sources.

Formations of nuclear-capable fighter-bombers and pursuit-assault planes based in Japan proper and overseas staged an exercise of intensive strikes at strategical targets in the inland of the northern half of Korea in coordination with fighter-bombers, assault planes and observation planes of the U.S. Airforce occupying South Korea and the puppet airforce.

More than 350 warplanes of various types were hurled into the air war exercise.

On the other hand the U.S. imperialists committed an aerial espionage on the northern half of Korea.

On December 22, reconnaissance planes of the U.S. imperialists carried out an aerial espionage on the depths and coastal and frontline areas of the northern half of Korea.

The warplanes which were flown in the air war exercises against the North that day numbered more than 720.

ROK's No Meets Military To 'Incite War Fever'

*SK2412051192 Pyongyang KCNA in English 0428
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—Chief executive of South Korea No Tae-u appeared at army, naval and airforce units in the central and western sectors of the front on December 22 to incite war fever against the North, crying for "strengthened preparedness," according to a report.

The South Korean authorities foiled the ninth inter-Korean high-level talks by deciding to resume the provocative "Team Spirit" joint military manoeuvres together with the United States.

As if it were not enough, he "inspected" the frontline area on December 22, the day designated for the talks and agitated invasion of the North. This made it plain that the South Korean authorities are not interested in dialogue but seek only aggression on the North.

They are perpetrating the criminal acts to spoil the atmosphere of North-South dialogue and do harm to the North according to a pre-arranged scenario.

Seoul's Reinforcement of Naval Forces Noted

*SK2412044792 Pyongyang KCNA in English 0422
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—The British weekly magazine JAMES DEFENCE WEEKLY recently exposed the South Korean authorities' moves to beef up their naval force.

Noting that South Korea's program has been disclosed the magazine said the South Korean authorities ordered six 1,285-ton submarines from a German shipyard and that they have promoted the introduction of submarines in secrecy from 1987.

Reporting that one of the six submarines is being built in Germany and the other five are to be assembled at the Daewoo shipyard in Okpo, South Korea, it added that the submarines would be equipped with an underwater watch and combat control complex.

Calling attention to the fact that the South Korean authorities are scheming to order many more submarines from other countries in an effort to reinforce their navy, the magazine exposed that they are planning to install submarine facilities at the Chinhae Naval Base within this year.

Okinawa Group Views Japanese War Activities

*SK2212111392 Pyongyang KCNA in English 1021
GMT 22 Dec 92*

[Text] Pyongyang December 22 (KCNA)—Sakae Yamauchi, a member of the Okinawa Liaison Society for the Investigation Into Forcible Drafting of Koreans, published an article titled "Question of Forcible Drafting of Koreans to Okinawa," "Conditions of 'Workers Attached to the Army' and 'Comfort Centres for the Army'" in CHOSON SINBO, the paper published by the General Association of Korean Residents in Japan (Chongnyon), according to a KNS report.

According to it, "Ordinance on Commandeering People" was applied to Korea in 1944, the last period of the Pacific war, and thus a massive drafting of Koreans began in July as "workers attached to the army" in Okinawa and Ryukyu Islands. It is said that they numbered between 10,000 and 20,000.

"Workers attached to the army" were forced to work all day long without a break, like "consumer goods," not men.

They were assigned to dangerous work when the U.S. forces intensified attacks and they were driven out of the shelters in the thick of air-raids to die in groups.

The first group of Korean "comfort women for the army" was taken to Okinawa when troops were stationed in Kadena for the building of an airfield around 1943 and in March next year the number of the "comfort women" increased with the reinforcement of the army with the inauguration of the 32nd army of the Okinawa garrison guards. Korean women alone totalled 550.

Although the government contended that there could not be "comfort centres" in the army stationed in the homeland, many "comfort centres" were distributed there in actuality.

The author strongly demands that sincere apology and compensation for the forcible drafting of "workers attached to the army" and "comfort women for the army" and reparation be made quickly in all forms including investigation into the truth, discovery of historic materials and their analysis under the sponsorship of the government.

Japanese Dietmen Urge Normalization of Relations

*SK2412104192 Pyongyang KCNA in English 1031
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—Twelve Dietmen from the Japan Social-Democratic Party including Tetsu Ueda, head of the Dietmen's group of the Tokyo Metropolitan Headquarters of the party, handed in their joint name to the chief cabinet secretary a written request addressed to the prime minister and the foreign minister on December 15.

The request exposed the unjustness of the stand taken by the Japanese side at the eighth talks for the normalization of Japan-DPRK diplomatic relations and stressed that the government should make an active effort for an early normalisation of the Japan-DPRK diplomatic relations.

Noting that the Japanese Government should deeply repent of and apologize for the past colonial rule, the request urged it to respect the three-party joint declaration and sincerely approach the inter-governmental negotiations of Japan and the DPRK.

Cuban Ambassador Hosts Party Marking Solidarity

*SK2512052592 Pyongyang KCNA in English 0418
GMT 25 Dec 92*

[Text] Pyongyang December 25 (KCNA)—Cuban Ambassador to Korea Juan Jose Leon Vega arranged a cocktail party at the embassy on December 24 on the occasion of the 30th anniversary of the formation of the Korea-Cuba Solidarity Committee.

Present on invitation were Vice-Premier Chang Chol, Chairman of the Committee for Cultural Relations With Foreign Countries Chong Chun-ki, Chairman of the Korea-Cuba Solidarity Committee Chong Song-nam and other officials concerned.

Present was Angel Martinez Seoane, director of the Cuban Chollima Shipyard, staying in Korea.

Speeches were made at the party.

WPK, Austrian Socialist Party Groups Hold Talks

*SK2512052492 Pyongyang KCNA in English 0433
GMT 25 Dec 92*

[Text] Pyongyang December 25 (KCNA)—Talks between the delegations of the Workers' Party of Korea [WPK] and the Social Democratic Party of Austria were held in Vienna on December 21.

Present at the talks on the Korean side were head of the delegation Kim Yong-sun, secretary of the C.C. [Central Committee], the WPK, and members of the delegation and on the opposite side were head of the delegation Shramek, international secretary of the Social Democratic Party of Austria, and officials concerned.

At the talks, Shramek said Korea is a unique socialist state with the strongest independence in the world and that his party highly estimates and supports the WPK's efforts to reunify the divided country peacefully and on a democratic principle.

Talks between the delegations of the Workers' Party of Korea and the Communist Party of Austria were held on December 22.

At the talks, Michael Graber, member of the coordination committee of the federal leadership of the Communist Party of Austria, said his party noted with high estimation that the WPK achieved its politico-ideological unity, is firmly defending the purity of the socialist idea and building socialism centred on the masses.

The Communist Party of Austria will express full support and solidarity for the WPK's efforts to build socialism and achieve the independent reunification of the country.

A joint statement of the Workers' Party of Korea and the Communist Party of Austria was published that day.

The statement said the two parties expressed their resolution to support and cooperate with each other in the struggle for peace and socialism against the imperialist policy of domination, interference, aggression and war.

On the same day, the WPK delegation met and had a talk with Peter Schieder, chairman of the foreign policy committee of the National Council of Austria and chairman of the Socialist Party group to the European parliament, and paid a courtesy call on Heinz Fischer, vice-chairman of the European Socialist Party and president of the National Council of Austria.

France, Burundi Exhibit Korean Movies

*SK2312112292 Pyongyang KCNA in English 1038
GMT 23 Dec 92*

[Text] Pyongyang December 23 (KCNA)—Korean films "My Socialist Country," "The Concrete Wall, Symbol of Division," "Wolmi Island" and "Korean Taekwon-do" were screened in France and Burundi over December 7-10.

Prior to a film show, Yves Grenet, vice-chairman of the French action committee to support the independent and peaceful reunification of Korea, exposed the anti-reunification acts of the United States and the South Korean authorities in resorting to adventurous nuclear war exercises after building the concrete wall in the area South of the Military Demarcation Line.

He called upon the French people to actively turn out in the solidarity movement for supporting the Korean people's cause of national reunification.

Viewers said they were moved by the indomitable spirit of the Korean people and People's Army, stressing that Korea must be reunified at an early date.

Foreign Communists Sign Pyongyang Declaration

*SK2512110892 Pyongyang KCNA in English 1011
GMT 25 Dec 92*

[Text] Pyongyang December 25 (KCNA)—The Pyongyang Declaration "Let Us Defend and Advance the Cause of Socialism" was signed by the Dominican Communist Workers' Party on December 11.

The Party of Communists of Belarus also signed it.

Thus, the Pyongyang Declaration was signed by 153 political parties in the world as of December 23.

Upon signing it, the general secretary of the Dominican Communist Workers' Party said the Pyongyang Declaration is of weighty significance in defending and advancing socialism today.

Gifts, Awards for Kim Chong-il, Kim Il-song Noted

SK2312110692 Pyongyang KCNA in English 1014 GMT 23 Dec 92

[Text] Pyongyang December 23 (KCNA)—The great leader President Kim Il-song and the dear leader Comrade Kim Chong-il have received gifts, floral baskets, silk banners, highest orders, honorary citizen titles and commemorative medals from more than 150 countries and international organizations this year.

Gifts were presented to them by 50 odd heads of state including presidents of Madagascar, Benin, Indonesia, Mongolia and Palestine, some ten party leaders including the chairman of the Central Executive Committee of the Japan Social-Democratic Party and the leader of the National Party of Thailand and many delegations and public figures of different circles.

Baskets of flowers were presented to them by heads of state, delegations and political and academic figures, among them president of the high state committee of Algeria 'Ali Kafi, president of the state of Palestine Yasir 'Arafat, a Chiangmai city delegation of Thailand, an ASAHI SHIMBUN delegation of Japan, a delegation of the World Federation of Trade Unions, and adherents to the chuche idea.

Former general secretary of the Irish Workers' Party Sean Garland presented the great leader and the dear leader with a gilded plate engraved with letters praising them. The SWAPO Central Committee of Namibia, the pan-African youth movement and many other foreign parties, organizations and personages presented them with silk banners, highly praising their greatness.

The chairman of the National Socialist Party of Syria in Lebanon, sent a silk banner decorated with 50 laurel leaves, bearing in its centre the bright sun, the native home in the secret camp on Mt. Paektu and the Chong-il peak in a snow-covered landscape in February.

Peoples in Kampala, Uganda, Corriverton, Guyana, Pikine, Senegal, Libourne, France, several cities of Portugal and many other cities registered President Kim Il-song and Comrade Kim Chong-il as honorary citizens and awarded citizenship cards, city keys and commemorative medals to them.

Chiclayo, Peru, decided, for the first time in its history of 157 years, to award the title of "distinguished protector", the highest honorary title, and the city key and the

Madrid City Council of Spain and Ancona, Italy, to award the gold medal and the commemorative medal (gold).

Meanwhile, President Kim Il-song was awarded "Grand Order of Independence", the "Grand Cordon of the National Order of Leopard" and "National Gold Medal", the highest orders of Equatorial Guinea, Zaire and Laos, Libya's "Order of the Great September 1 [Revolution]" and Namibia's "Ongulumbaswe Medal" and Comrade Kim Chong-il "Kietikhoun Order", "Grand Cross Order", "Grand Order of Independence" and the "Grand Cordon of the National Order of Leopard", the highest orders of Laos, Mali, Equatorial Guinea and Zaire, Namibia's "Ongulumbaswe Medal" and Cuba's "Order of Solidarity".

Art, Literature Group's Letter to Kim Chong-il

SK2412050992 Pyongyang KCNA in English 0436 GMT 24 Dec 92

[Text] Pyongyang Dec. 24 (KCNA)—A meeting of creative workers and artistes in the domain of literature and art to carry through the tasks set forth at the Korean intellectuals meeting took place at the February 8 House of Culture Wednesday.

The congratulatory message of the Central Committee of the Workers' Party of Korea to the Korean intellectuals meeting was read there.

A letter of pledge to the Central Committee of the Workers' Party of Korea headed by respected Comrade Kim Il-song, which was adopted by the delegates to the Korean intellectuals meeting representing the single-hearted loyalty of 1.6 million intellectuals, was also read.

Paek In-chun, chairman of the Central Committee of the General Federation of the Unions of Literature and Arts of Korea, delivered a report.

Then followed speeches.

The reporter and speakers said the Korean intellectuals meeting held in the presence of the respected leader President Kim Il-song and the dear leader Comrade Kim Chong-il was a grand political assembly which demonstrated the revolutionary traits and indomitable spirit of the Korean intellectuals as the permanent companions of the party, a historical forum which demonstrated to the whole world the unshakable faith and will of the Korean intellectuals to share the destiny with the party without the slightest wavering in any adversity and carry the revolutionary cause of chuche to completion.

The Korean creative workers and artistes are now facing the honorable tasks to defend the cause of the Workers' Party of Korea and lead the popular masses to accomplishing the cause of independence through the production of revolutionary literary and art works, they said.

They called upon the creative workers and artistes to firmly maintain the chuche-based creation guidance

system and production system and wage the speed campaign in literary and art creation and thus strictly safeguard the great achievements made by the Workers' Party of Korea in the building of literature and art.

They declared that, no matter what grim trials may face them and no matter which way the wind may blow, they would always share their destiny with the party and enhance their integrity as the permanent companions, loyal helpers and good advisors to the party and ardent defenders and strict executors of the party policies.

A letter to Comrade Kim Chong-il was adopted at the meeting.

Officials Lay Wreaths Honoring Kim Chong-suk

*SK2412112292 Pyongyang KCNA in English 1108
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—Party and government officials, working people and people's army soldiers laid wreaths before the bust of Comrade Kim Chong-suk, an indomitable Communist revolutionary fighter, in the revolutionary martyrs cemetery on Mt. Taesong today on her 75th birth anniversary.

A wreath sent by the great leader President Kim Il-song was lying before the bust.

A wreath sent by the dear leader Comrade Kim Chong-il was also lying there.

The wreath-laying ceremony was attended by Yi Chong-ok, Kim Yong-nam, Choe Kwang and other senior officials of the party and the government.

Amid the playing of the wreath-laying music, wreaths were laid in the name of the C.C. [Central Committee], the Workers' Party of Korea, the DPRK Central People's Committee, the Administration Council, the Anti-Japanese Revolutionary Fighters, the Ministry of People's Armed Forces, commissions and ministries of the Administration Council, public organizations, central organs, institutions of science, education, culture and art, Pyongyang municipal party and power bodies, administrative and economic organs and public organizations and industrial establishments.

Inscribed on the ribbons hanging from the wreaths were the letters "May the revolutionary exploits of Comrade Kim Chong-suk, an indomitable Communist revolutionary fighter, be everlasting."

The Pyongyang mission of the National Democratic Front of South Korea and overseas Koreans staying in the homeland also laid wreaths.

Wreaths were also laid today before the bronze statues of Comrade Kim Chong-suk in Hoeryong city, North Hamgyong Province and in Kim Chong-suk County, Yanggang Province.

Pak Song-chol Attends Scientific Symposium

*SK2412111792 Pyongyang KCNA in English 1056
GMT 24 Dec 92*

[Text] Pyongyang December 24 (KCNA)—A national scientific symposium was held today on the occasion of the 20th anniversary of the publication of the socialist constitution of the Democratic People's Republic of Korea.

It was attended by Pak Song-chol, Politburo member of the Central Committee of the Workers' Party of Korea and vice-president; Yang Hyong-sop, chairman of the Supreme People's Assembly; and other officials.

The speakers said the publication of the unique church-oriented socialist constitution which fully embodies the idea of giving main consideration to the people is an undying feat performed by the great leader President Kim Il-song in the history of the socialist constitution and a great event of historical significance in our people's revolutionary struggle and construction.

They said the dear leader Comrade Kim Chong-il, basing himself on a scientific analysis of the position and role of the socialist constitution in the revolution and construction, has wisely guided the whole party and all the people to observe the socialist constitution and, in this course, performed imperishable exploits which will shine long in history.

They pointed out that the achievements made by the Korean people in the revolution and construction under the party's leadership have been definitely codified and the principles that must be strictly observed in economic management, economic affairs and the building of national culture have been expounded, with the result that a highly important guideline has been provided to fully guarantee a bountiful material and cultural life of high standard to the people.

The speakers called on the party members and the working people to make a deep study of the socialist constitution, apply it to the revolutionary struggle and construction and staunchly fight to defend and glorify Korean-style socialism centred on the popular masses without slightest vacillation under any circumstances.

Daily Stresses Advantage of People's Power

*SK2312114292 Pyongyang KCNA in English 1053
GMT 23 Dec 92*

["MINJU CHOSON Calls For Fuller Display of Advantages of People's Power"—KCNA headline]

[Text] Pyongyang December 23 (KCNA)—The dear leader Comrade Kim Chong-il sent a letter "Let Us Bring Advantages of Our People's Power Into Full Play" to the participants in the national short course for officials of people's power bodies which was held recently.

The work gives a scientific exposition of the solidness and vitality of the people's power and clearly indicates all the questions arising in its strengthening and development.

The work has opened a bright prospect for further strengthening the people's power as an invincible weapon of our revolution and fully displaying its advantages to vigorously advance the socialist cause, MINJU CHOSON says in an editorial today. The editorial goes on:

The main spirit of the work is that the socialist cause of chuche should be accomplished by steadily strengthening and developing our people's power as an independent socialist power.

The dear leader Comrade Kim Chong-il has said:

"We must strictly observe the socialist constitution to further strengthen the people's power as an invincible weapon of our revolution and give full play to its advantages, thus carrying the socialist cause of chuche to accomplishment."

Today our revolution is faced with heavy and vast tasks. Since the socialist power has collapsed and socialism suffered setbacks in some countries in recent years, the imperialists and the reactionaries have become more undisguised in their moves to stifle our Republic and Korean-style socialism. This situation makes it incumbent upon us to fully display the fighting capacity and vitality of the people's power. The work is a monumental one of weighty significance in the building of power and its activities, all the more so because it was published at a time when strengthening the people's power was considered more important than ever before.

The significance of the work lies in that it expounds the main factors of the solidness and vitality of the people's power and thus makes it possible for our people's power to continue fully displaying its advantages. It also lies in that the work clearly indicates the function of the people's power, enabling it to successfully discharge its mission as a weapon of socialist and communist construction.

The work also clarifies the fundamental principles of the building of people's power so as to make it possible for the people's power to invariably maintain its revolutionary nature under any complicated circumstances. This is another aspect of its significance.

Year's Increase in Grain, Other Crops Reported

SK2312011492 Pyongyang KCNA in English 1524 GMT 22 Dec 92

[Text] Pyongyang December 22 (KCNA)—Rich crops have been gathered in the rural communities of Korea this year, the year of put-greater-efforts-into-agriculture.

Many cooperative farms overfulfilled their grain production assignments for the year and the tasks of the technical revolution of agriculture have been successfully pushed ahead.

The Okto cooperative farm in Yonggang County, Nampho Municipality, situated in the granary of the west coast, increased its grain harvest 1,540 tons above last year.

The Nongpho cooperative farm in Saepyo County, North Hamgyong Province, overfulfilled its grain production plan by 56.1 percent and the Wangjaesan cooperative farm in Onsong County by 51.8 percent.

The Mangyongdae cooperative farm in Mangyongdae District, Pyongyang Municipality, gathered in 9 tons 903 kilograms of rice and 11 tons 824 kilograms of maize from each hectare.

Bountiful is the harvest of vegetables and fruits.

The fruit output this year is 2.4 times last year's.

Many fruit farms of the country including the Kwail County combined fruit farm and the Pyongyang state fruit farm picked 20 tons, 25 tons of apples on an average and 40 tons at maximum per hectare.

Vegetable farms in South and North Phyongan Provinces and Nampho Municipality and other vegetable farms across the country produced hundreds of tons of vegetables per hectare and the output of autumn vegetables in Pyongyang is 2.2 times last year's.

The work has been energetically promoted in the countryside to raise the level of irrigation and electrification and carry out mechanization and chemicalization.

In order to consolidate the achievements in irrigation, the excavation of West Sea barrage-Unyul-Kwail County waterway extending 70 kilometres, the Pakchon waterway and the Tongha two-stage pumping station waterway was completed.

And the construction of six reservoir dams and 700 pumping stations was brought to completion and a waterway extending 385 kilometres was excavated in North Hwanghae Province.

In recent years, the state has built waterways extending 800 kilometres to link the Taedong and Yesong Rivers and Amnok and Taeyong Rivers into one irrigation network and to sufficiently supply water to all paddy and non-paddy fields in the granary on the west coast so that the irrigation system could become more effective.

Over 1,700 reservoirs and tens of thousands of pumping stations now serve agriculture and the total length of irrigation waterways is over 40,000 kilometres.

Electrification of agriculture has been realized more satisfactorily so that all the farm work including water

pumping, thrashing, drying and processing of agricultural products, seed treatment are done with the help of power.

The electric power used in agriculture is billions of kwh annually.

With the powerful promotion of the mechanization of agriculture, the number of the tractors per 100 hectares reached 7 in plain areas and 6 in intermediary and mountain areas and the number of the trucks 1.5.

Modern farm machines including rice-transplanting and rice-plucking machines and combined thrashing machines have been supplied to countryside in large numbers and thus nearly all the farm work from plowing to thrashing is done with the help of machines.

Chemicalization has also developed to lift the application of chemical fertilizers and agricultural chemicals to a higher level.

KCNA Details Republic's 1992 Achievements

*SK2412055092 Pyongyang KCNA in English 1518
GMT 23 Dec 92*

[Text] Pyongyang December 23 (KCNA)—Korea has decorated 1992 with significant events and achievements.

The great leader President Kim Il-song said:

"We should bring about a new upswing in socialist construction with the whole party, the whole state and all the people generally mobilized in order to make this meaningful year a year of most brilliant victory in the history of our fatherland."

The most auspicious events of this year were the grand celebrations of the 80th birthday of the respected leader President Kim Il-song and the 50th birthday of the dear leader Comrade Kim Chong-il.

President Kim Il-song was awarded the title of generalissimo of the DPRK on his 80th birthday, April 15. The celebrations of his birthday were participated in by some 420 delegations from about 130 countries including the heads of state, government and party of different countries.

Colorful functions were held with splendor in Korea and over 100 countries on the 50th birthday of Comrade Kim Chong-il, February 16. About 420 mass media of different countries gave wide publicity to his revolutionary exploits.

The 60th anniversary of the founding of the Korean People's Army (April 25) was significantly celebrated in Pyongyang with the attendance of 160 delegations from 61 countries and many foreign friends.

On that occasion, Supreme Commander of the Korean People's Army Comrade Kim Chong-il was awarded the marshalcy of the DPRK.

It is of particular importance that the Pyongyang declaration "Let Us Defend and Advance the Socialist Cause" was adopted on April 20.

The declaration is powerfully displaying its validity and vitality. It had been signed by more than 150 political parties of the world by the end of November.

A historic measure was taken in Korea to increase the wages of the workers, technicians and office employees 43.4 percent on an average from March 1.

Enormous achievements have been made in socialist economic and cultural construction.

About 80 industrial construction projects have been completed to add to the economic potentials of the nation.

In the coal industry, the production capacity has been increased by millions of tons with the promotion of the construction of coal mines and pits in Suncheon, Anju, northern district and other areas with rich deposits and favorable mining conditions.

In the ore mining industry, Hungsang and Samsu mines and some ten pits have been commissioned, the existing mines reconstructed on an expansion basis and thus the ore production capacity has gone up markedly.

A firm guarantee for increasing power production has been created with the construction of some ten large-scale hydraulic and thermal power stations progressing at a fast pace in Pyongyang, Nampo, Haeju, Yongwon and other areas and the completion of minor power stations in different parts of the country.

In the January-November period, the electric production was 5.2 percent up on that in the same period last year.

A high-pressure pipe shop and a new electric furnace were built at the Songjin steel complex and a diode shop of the Pyongyang integrated circuit factory and an electric rock drill shop of the Chonchon rock drill factory were commissioned. Thus the production structures of the metal and machine industries have been further rounded off. About 30 light industrial factories and shops including the Aeguk colour TV assembling factory, the pneumatic spinning shop of the Kaesong textile mill, the injection-moulded boots shop of the Suncheon shoe-making factory and the Sepho meat processing mill were commissioned or have been modernized with the result that their material and technical foundations have been consolidated considerably.

The electrification of railway lines in different sections and the building of new lines have been successfully promoted and the Pyongyang-Kaesong express highway and the expansion project of the wharf of Hungnam port were completed to considerably boost the traffic capacity.

With the construction of towns and villages on a large scale, houses for tens of thousands of families have been completed.

In Pyongyang, 50,000 flats were built in two years in the 1990s. Then a new project of building 30,000 flats in one year or more was launched and the frames of 25,000 flats have been assembled. Many monumental edifices and some 150 educational institutions and welfare service facilities have been completed.

Much progress has been made in cultural construction.

Notable in the moviedom is the release of the first ten parts of the multi-part feature film "The Nation and Destiny" based on historical facts and real characters.

South Korea

Dailies View Clinton's Trade, Commerce Officials SK2712120192

[Editorial Report] ROK vernacular daily newspapers on 26 December carry Washington-based correspondents' articles on U.S. President-elect Bill Clinton's appointment of cabinet officials.

The moderate newspaper KYONGHYANG SINMUN carries a 1,300-word article entitled: "Exceptional Appointments in Breaking the Rules of Exclusive Occupation by Whites of Cabinet Posts." The article points out Bill Clinton's appointment of cabinet officials from minorities. It also notes the significance of and background for the appointment of Mickey Kantor as U.S. trade representative. It refers to Mickey Kantor's contribution to the presidential election campaign: "Bill Clinton's appointment of Mr. Kantor is political, and it is likely that Mr. Kantor will faithfully carry out Bill Clinton's public commitment to open foreign markets to U.S.-made goods, even though he has little knowledge of trade theory."

The article also points out some experts' analysis of Mickey Kantor's position on the Uruguay Round negotiation, saying that he is likely to solve it politically. It also says: "It is expected that he will use anti-dumping restrictions as a means to pressure the opening of foreign markets."

Referring to the Clinton administration's overall feeling concerning other countries, the article says: "Since the United States may not change its officials in charge of the Asian region and Korea, it is unlikely that great changes will occur in U.S. economic policy toward Korea. The United States is, however, expected to intensify its pressure on Korea to open its markets despite Korea's trade deficit with it."

SEOUL SINMUN, a pro-government newspaper, carries a 1,200-word article on page 6 entitled: "Cabinet Appointments of Women and Minorities."

It notes Bill Clinton's appointment of cabinet ministers, including a diverse group of business and government officials with a broad range of experience. It refers to his Korean policy: "It is expected that U.S. figures—such as the under secretary of state, deputy secretary for East Asian and Pacific Affairs, and the U.S. ambassador to Korea—will handle policy. Significant changes in present ROK-U.S. basic relations is unlikely."

The article refers to Bill Clinton's appointment of Ron Brown to be Secretary of Commerce and Mickey Kantor to be U.S. Trade Representative based on their contributions during the presidential election campaign. The article points out that Mickey Kantor, an attorney in an influential law firm, will play a key role in protecting enterprises' interests in the airline, oil, cigarette, chemical, and railway industries.

TONG-A ILBO, an independent newspaper, carries on page 4 a 1,000-word article entitled: "The Importance of Team Work Centering on the White House." It refers to Bill Clinton's appointment of cabinet officials based on their wide range of background and experience. It notes the consideration given to minorities, mainly to blacks and Hispanics. It also notes the background and diversity of Bill Clinton's appointments. It highlights his remarks that he will play a key role in determining all policies.

The article refers to Bill Clinton's plan to expand the White House's authority. It also notes Hillary Clinton's future role in the White House.

Seoul To Readjust Military Ties With U.S.

SK2812030992 Seoul YONHAP in English 0236 GMT
28 Dec 92

[By Kim Sun-han]

[Text] Seoul, Dec. 24 [date as received] (YONHAP)—South Korea meets the new year with a strategic need to readjust its military ties with the United States in a way that guarantees 'Koreanization' of national defense without hurting the framework of its military alliance with the United States.

The realignment, which calls for reducing dependency for defense on the United States and increasing self-reliance, was made inevitable by a variety of rapid changes in the strategic environment on and around the Korean peninsula over the last few years.

The collapse of the Cold War and subsequent reduction of the U.S. military presence in Northeast Asia has much to do with the need to realign Korea's external military relationships. These two events left a vacuum in the region, increasing chances of China and Japan becoming regional military powers.

In particular, the concern about China and Japan becoming military powers has generated much suspicion

among their neighbors and driven Korean strategists to rethink the post-unification era.

Establishment of diplomatic relations between Seoul and Moscow left much room for the old foes to seek unprecedented bilateral military cooperation, which some observers here say might be efficient in countering the Chinese and Japanese military buildups.

The restoration of Korea-Russo ties also gave Seoul access to North Korea's weapons systems, which mostly rely on Russian technology.

Possible South Korean participation in Russia's ambitious scheme to turn its oversized military-industrial complex over to commercial output may also bring an opportunity for Seoul to acquire Russian technological knowhow in this field and reduce its thus far unchallenged dependency on U.S. arms.

In addition, the restoration of official ties with China in August may turn out to be favorable for the strategic environment on the Korean peninsula.

The Chinese leadership may, in whatever form, discourage North Korea from a military plot against the South and instead urge it to pursue an open-door policy toward Seoul and outside world.

Under the circumstances, defense policymakers are expected to put primary emphasis on redefining military ties with Washington.

A changed U.S. military role in Korea is the very core of the realignment of bilateral military ties.

Seoul and Washington have agreed to turn the U.S. role into a supplementary and supportive one and their plan calls for a phasedown of U.S. troops in Korea and modernization of the Korean armed forces.

The phasedown poses the problem of how to substantially maintain a deterrence against North Korean threats without reducing the combined defense capabilities.

Earlier, both sides agreed to a plan to reduce 7,000 troops from the 43,000-strong presence in 1990-1992, and maintain a 30,000-strong level during the second phase in 1993-1995. However, the two countries reaffirmed in the 24th Security Consultative Meeting (SCM) that they would delay implementation of the second-phase plan unless North Korea was cleared of suspicions over its nuclear development program.

The action shows how the change of roles is affected by U.S. global strategies. Even so, ground has gradually been laid for the initiative.

The combined field army under the Korea-U.S. Combined Forces Command was deactivated on July 1, while a Korean general was appointed to take command of the ground forces component of the command on Dec. 1.

At the same time, both sides launched the Combined Marine Forces Command Dec. 1, naming Korean Marine Commandant Lt. Gen. Yim Chong-yin to take command.

Meanwhile, the turnover of peacetime operational control to the Korean side is expected to emerge once again even though the two countries have agreed to do it "before 1994."

The issue has been a source of public resentment in South Korea and has often been an impediment to the solution of inter-Korean affairs.

If the peacetime operational control is turned over to the South, the chairman of the Korean Joint Chiefs of Staff can exercise command over Korean military units and play a more active role in working out contingency plans for such combined drills as the annual Korea-U.S. "Team Spirit" exercise.

In the event of emergency on the peninsula, the right to operational control will automatically be turned over to the Korea-U.S. Combined Forces Command as the United States maintains wartime operational command over South Korean military units.

Military observers note that the turnover of command lies with a future U.S. policy toward Korea, more concretely with the security environment around the Korean peninsula.

Washington has increasingly stressed the strategic importance of the peninsula, pointing out everpresent threats from North Korea, while pushing vigorously ahead with its massive force reduction programs in other continents.

Defense officials here see the framework of the existing military alliance between the two countries is not likely to change a lot given an apparent North Korean threat and little progress in inter-Korean relations.

Kim To Propose Free Trade Agreement With U.S.
SK2612132392 Seoul CHUNGANG ILBO in Korean 26 Dec 92 p 1

[Excerpts] President-elect Kim Yong-sam predicts that the United States will increase pressure on the ROK to open its market after the Clinton administration is inaugurated. It was learned on 26 December that in an effort to cope with the pressure, Kim is actively reviewing the signing of ROK-U.S. Free Trade Agreement. [passage omitted]

President-elect Kim Yong-sam believes that the Clinton government, while increasing pressure on the ROK to open its markets, may apply Super Article 301 of the U.S. Trade Code to impose antidumping duties on ROK export commodities. He is considering proposing to the United States the signing of ROK-U.S. Free Trade Agreement to deal actively with this.

President-elect Kim's camp thinks that if the ROK-U.S. Free Trade Agreement is signed, U.S. pressure to open up the markets and U.S. import restrictions on ROK commodities will disappear. They also believe that in the long run, our commodities can easily make inroads into the Canadian and Mexican markets, countries that signed the North American Free Trade Agreement with the United States.

In the meantime, President-elect Kim's camp believes the United States will surely raise the question of opening the ROK's rice market during negotiations. The camp maintains its position to exclude rice from negotiations as much as possible.

President-elect Kim's camp plans to be flexible in the negotiations by proposing alternatives, such as the inclusion of other agricultural products or addressing financial matters instead of rice—if the United States sticks to rice market opening.

The signing of ROK-U.S. Free Trade Agreement will be handled by the economic subcommittee of the "New Korea Committee," which will work out specific policies to put President-elect Kim's pledges into practice. [passage omitted]

President-elect Kim's confidant added: "If the ROK signs the Free Trade Agreement with the United States, we can reject Japan's and the European Community's demand that we open our market to them on the same level that we opened our market in selective fields to the United States. We can also accelerate the structural remodeling of our domestic industries that our government has excessively protected."

Seeks To Promote National Harmony

SK2512041792 Seoul YONHAP in English 0224 GMT
25 Dec 92

[Text] Seoul, Dec. 25 (YONHAP)—President-elect Kim Yong-sam said Friday that he would take steps after his inauguration to enable everyone to participate in the creation of a new Korea.

"There should be continuous measures to ensure grand national harmony," Kim said, commenting on Thursday's clemency for Yim Su-kyong and 25 other people.

People found guilty in criminal or civil court of minor infractions or who had erred outside the law unintentionally would have their records expunged, he said. He said that he had fully discussed Thursday's clemency with President No Tae-u. "During my meeting with President No on Dec. 21, I expressed the view that such a measure was needed," he said.

Promises 'Drastic' Tax, Financial Reform

SK2512062992 Seoul YONHAP in English 0533 GMT
25 Dec 92

[Text] Seoul, Dec. 25 (OANA-YONHAP)—South Korean President-elect Kim Yong-sam will carry out

drastic tax and financial reforms within six months of taking office in February, close economic aides said Friday.

He will cut indirect taxes, raise direct taxes, privatize national banks, widen the business activities of financial institutions and promote free competition, the aides said.

"Current revenue and financial policies are custom-made for strict governmental control and instruction," a source close to the president-elect said. "Reforms are inevitable to guarantee economic justice and to invite voluntary participation and creativity by the people," he said.

Kim anticipates heavy opposition from those who benefited under past policies and believes the reforms must be implemented before his new administration get settled in its way, the source said. "Kim will carry out major revenue and financial reforms within six months based on recommendations from the new economic team," he said. The aides envisioned less indirect taxes, such as consumption and value-added taxes, and more direct ones, such as property, inheritance and gift taxes.

Kim is expected to remove many of the barriers limiting the scope of financial institutions' business activities as he partly blames them for stunting South Korea's economic growth. He is also likely to bar government intervention in appointments to financial institutions and do away with bank loan limits for these institutions.

To Reduce Secretariat, Security Service

SK2512063092 Seoul YONHAP in English 0548 GMT
25 Dec 92

[Text] Seoul, Dec. 25 (YONHAP)—President-elect Kim Yong-sam may make sweeping changes in the functions of the presidential secretariat and the presidential security service.

The president-elect is thinking of trimming the independent security service and placing it under the control of the chief presidential secretary, Democratic Liberal Party officials and sources close to Kim said Friday. The head of the security service may be reduced in rank to a vice minister from a minister, they said.

Another plan is to abolish altogether the senior presidential secretary for audit and inspection, turning his duties over to the Board of Audit and Inspection or the prosecution.

Kim is also looking at the possibility of giving presidential aides more say in the areas of welfare, rural problems and education, they said. "It appears likely that president-elect Kim will expeditiously effect a downward readjustment of the functions and organization of the presidential offices to embody his intent of realizing a modest administration," a close aide said.

Broad government reorganization, he said, would come after Kim is inaugurated in February. "After all, the president-elect acutely feels the need to alter government organization and function," the aide said.

Government reorganization, which might include refitting the prime minister's office and reorganizing the Agency for National Security Planning, could be realized within six months of Kim's taking office, he said.

Reorganization might also feature the scrapping of the Economic Planning Board and the creation of an industrial trade ministry and a maritime industry ministry, the aide said.

Kim had planned to launch his transition team Dec. 28, but it has been delayed for one or two days for administrative reasons.

Plans To Restrict Economic Planning Board

SK2712033892 Seoul THE KOREA HERALD in English 27 Dec 92 p 8

[By staff reporter Choe Nam-hyon]

[Text] Has the Economic Planning Board (EPB) outlived its raison d'être? The answer seems to be yes as far as its function of planning is concerned.

The sword is now dangling over the government agency which has been given much of the credit for transforming one of the poorest nations in the world into a dynamic economy with a per capita GNP of more than \$6,000 in the past three decades.

President-elect Kim Yong-sam will chop off the outdated function of planning from the government agency when he is sworn in next February, says one of his top economic aides.

The other functions, including interministerial policy coordination, may be taken over by other government agencies.

The EPB may have nothing to complain about over its coming demise, which many economic experts say is of its own making.

It was actually planning its own death when planning a transition to a market economy, says Kim Chong-su, a senior research fellow of the Korea Institute of International Economic Policy.

An economy has little room for planning when it is left to market forces. Planning is rather the domain of Communist economies.

But back in the early 1960s, Korea had little to support a market economy—little capital for investment, few trained managers to organize labor and little technology available for production.

That's one of the reasons why it had to start economic planning, says an EPB official.

One of the first jobs for President Pak Chong-hui, who took power in a military coup in 1961, was to create a strong government agency which would make economic development plans and push economic ministries to implement them.

The Economic Planning Board was inaugurated in 1962. The deputy prime minister, appointed to serve as minister of economic planning as well, had the final say on most economic policy disputes among such government agencies as the Ministry of Finance and the Ministry of Trade and Industry.

"The deputy prime minister was more influential than the prime minister, who was in charge of political and administrative affairs," says an EPB official who does not want to be identified. "The prime minister was nothing more than the (dictatorial) president's shadow."

The EPB started with a strategy to promote exports and thus develop the national economy.

One of the most difficult problems in the early 1960s was how to secure funds for investment. With its per capita GNP falling short of \$100, the nation had no substantial domestic savings for investments.

"Domestic savings, which would finance huge investments, were to increase later when the national economy had matured to a certain extent," says Kang Pong-kyun, assistant minister of economic planning.

He says, "The only choice left to us at the outset was to lure foreign capital, promote production and income with the investment and then increase domestic savings."

In the first phase of economic planning, from 1962 to 1981, Korea secured \$22.5 billion in loans from abroad to build factories and import raw materials and technology for the production of import substitutes and export items.

The government still emphasized growth in the second phase of economic planning, which lasted from 1982 to 1987.

But emphasis shifted from the goal of near double-digit growth to low inflation with price stability being one of the top concerns of wage earners who accounted for more than 70 percent of the population.

Inflation was also a setback to export promotion because higher prices led to an increase in wages, which then weakened the competitiveness of Korean exports.

Another major change during this period was that the government reduced its authority and role in economic management.

It was no longer possible for the government to decide how much would be invested in an industry and which businesses would receive government support to make the proposed investments.

"The reason was that large private companies had more market information than government officials and could raise more money for investment on their own," says Assistant Minister Kang.

The government also allowed state-run companies to make their own decisions on personnel management, budgeting and procurement. In the past, they had to obtain approval from relevant ministries.

In the third phase of economic planning from 1988 to the present, the government has oriented its economic policy toward welfare from industry support.

Progress in democracy, the emergence of such powerful interest groups as trade unions and other social changes have contributed to further reducing the government's role in economic development.

The Economic Planning Board, which has promoted capitalism, is a government agency unique to Korea with no counterpart in industrialized or developing nations.

In Britain or the United States, the government is reluctant to get involved in industrial and business activities. Most developing nations have planning commissions directly under the president or the prime minister, which do not have the power to supervise or coordinate the implementation of economic plans.

In Korea, however, the deputy prime minister cum minister of economic planning has the final say on major economic policies.

They need to obtain approval from the conference of economic ministers for implementation, and the deputy prime minister presides over the conference.

The deputy prime minister can also exercise influence in the appointment of economic ministers.

Has this powerful Economic Planning Board done its job successfully during the past three decades?

It appears that it has done so in most cases. But judgment is reserved on its plan to foster heavy and chemical industries from the mid-1970s to the early 1980s.

Those who support the plan on the development of machinery, shipbuilding, autos, petrochemicals and electronics say government support made it possible to complete big projects within five or so years.

If they had been left to the private sector, they say, it could have taken decades.

But those critical of the plan say the big projects launched simultaneously resulted in excess facilities, a sudden increase in money supply and a shortage of technicians.

They also point out that Taiwan is better off with its small businesses than Korea.

Regardless of past performance, the EPB is not expected to plan any industrial restructuring in the future.

Pak Chae-yun, a senior economic advisor to President-elect Kim, says the new government will sharply reduce the EPB's function of economic planning.

Instead, he says, the new government will emphasize its role of coordination.

"The government needs a bad guy who will police quarreling ministries," says an EPB official who asks for anonymity. "No progress is made when each ministry holds onto its own interests."

He also argues that coordination must be backed up with the power to allocate resources among ministries—the power to draw up national budgets.

It is yet to be seen whether the coordination and budgeting functions will be retained by the Economic Planning Board or handed over to the Ministry of Finance or another ministry.

News reports say President-elect Kim and his economic team are working on the reorganization of the EPB, the Ministry of Finance and other economic ministries.

Plans To Reform Personnel Policies

SK2812013192 Seoul YONHAP in English 0113 GMT
28 Dec 92

[Text] Seoul, Dec. 28 (YONHAP)—President-elect Kim Yong-sam will put top priority on personnel management in his administration's efforts to reform domestic policies, his aides say.

Kim hopes to reform the way the government appoints officials before his inauguration or soon after by emphasizing ability and breaking away from the practice of taking provincial or school connections into account, the aides said Sunday.

Kim will try to avoid reappointing senior officials who served in the administrations of Presidents Chon Tu-hwan and No Tae-u or officials with military backgrounds to government offices other than to such special positions as those in the Defense Ministry, one of the aides said.

Political consideration will be given to people from the Cholla Provinces as they had limited chances compared with officials from the Kyongsang Provinces in the past, he said.

He said Kim could not determine a precise proportion between people from the Kyongsang and Cholla Provinces, but a decision would be made along a satisfactory line in the appointments of cabinet ministers and filling other senior government posts.

Kim plans to form a central personnel management committee under the president to help carry out governmental appointments in a fair and equitable manner.

Members of the committee will be appointed by the president with the consent of the National Assembly.

The committee will absorb existing personnel organizations such as the Central Promotion Deliberation Committee and the Disciplinary Committee. It will also work for the improvement of working conditions for government officials and reform of the Civil Service System, he said.

Transition Period To Slow North-South Dialogue

SK2812085392 Seoul YONHAP in English 0712 GMT
28 Dec 92

[Text] Seoul, Dec. 28 (YONHAP)—It will take much longer than generally expected for dialogue between South and North Korea to resume because of the transition to a new government in Seoul, a delegate to the inter-Korean high-level talks predicted Monday.

"The suspension of talks caused by the abortion of the ninth prime ministers talks this month will be prolonged, even to some time after April, and it is possible that the resumption of dialogue will not take the form of reviving the high-level talks," Yi Tong-pok told a seminar.

The North Korean stance so far in the prime ministers talks has shown "clearly that it is not thinking of translating into action such inter-Korean accords as the basic agreement, supplementary accords, and joint declaration for denuclearization," he said in a paper, titled "South-North Dialogue—1993 Outlook," read at a seminar sponsored by the SEOUL SINMUN.

South Korea's new administration was obliged to tackle domestic matters and readjust its relations with the United States first, rather than attend to inter-Korean issues, Yi said.

"The resumption of inter-Korean dialogue will, after all, hinge greatly on how North Korea eases its position on pending issues like its nuclear development program," he said.

Effectuation of the supplementary protocols to the agreement on basic relations would be delayed, Yi said.

"We have no choice but to delay it until after North Korea renounces its one-Korea theory and accepts peaceful coexistence," he told the seminar.

North Official To Visit PRC for Economic Aid

SK2512034492 Seoul YONHAP in English 0220 GMT
25 Dec 92

[Text] Tokyo, Dec. 25 (YONHAP)—North Korea's deputy prime minister in charge of economic policies may visit China early next year in a bid to strengthen bilateral economic ties, a Japanese economic daily reported Thursday.

Kim Tal-hyon, deputy prime minister and chairman of the State Planning Commission, was likely to head an

official mission to Beijing early next year to sound out China about its support for North Korea's fourth seven-year economic plan (1994-2000), the SANKEI SHIMBUN said, quoting diplomatic sources in Beijing.

China was likely to respond favorably to the North Korean request considering the political need to appease North Korea, particularly in the wake of China's diplomatic normalization with South Korea, sources said.

China was reluctant to fully accept North Korea's request for food and energy aid when North Korean President Kim Il-song pressed it during his visit to Beijing in October last year, but tension eased when China agreed to an economic aid package for this year at talks in Pyongyang in January.

Vice External Economic Affairs Minister Kim Chong-u, Kim Tal-hyon's confidant, visited a special economic zone in Shenzhen in March to study a legal regime devised to entice foreign capital.

Redefining Military-Civilian Relationship Viewed

SK2712030692 Seoul THE KOREA HERALD in
English 27 Dec 92 p 3

[By staff reporter Yu Kun-ha]

[Text] As the first civilian head of state in over three decades, Kim Yong-sam faces the task of redefining the relationship between the military and civilian society.

This is a difficult task, not only because of the long dominance of the military over the country's society, but because it will involve the fostering of a completely new culture within the military that is in accord with the times.

Kim's election to the presidency formally puts an end to long-time military rule. But this will not eliminate overnight the overshadowing influence of the military over civilian society that has been cultivated under three decades of military dictatorship.

During his election campaigning, Kim presented few, if any, reform measures concerning the military. Kim's supporters tend to believe that this was a campaign tactic. To garner the military votes, they say, he simply abstained from putting forward reform pledges that would go against the grain of military leaders.

Many seem to give Kim the benefit of the doubt, believing that once he is sworn in as president, he won't leave the military as it is now.

This belief is not unfounded. The public still remembers that Kim was the only candidate in the 1987 presidential election who centered his campaign around the slogan of "the termination of military rule."

Will he then really act as widely expected? An appropriate answer at the moment seems to be that it remains

to be seen. There seems to be many signs shown by Kim, which justifies this reservation.

There is one more fundamental question that faces Kim: Can he create a new culture for the military by replacing its prevailing attitudes with a new set of values?

The root of the Korean military's current problems, many scholars point out, is that it is highly politicized. This is an inevitable outcome of the three decades of military dictatorship.

As is well known, the late President Pak Chong-hui provided various favors to a handful of young officers, including the former President Chon Tu-hwan and his successor No Tae-u.

These officers were promoted ahead of their peers and exercised more power within their military units than their superiors. They learned how to climb up the ladder of power and made good use of it.

This small group of politicized officers slowly but steadily contaminated the entire military, critics say. They turned the military's value system upside down. They put their personal or group interests before national interests. For them, the military was not the last bastion of national security but only a private means to be used in satisfying their personal ambitions.

Their negative influence did not remain within the boundary of the military; it spilled over to the whole of society as they took off their uniforms to occupy many important government and other public positions.

Although without their military uniforms, they behaved in the same manner as before. They spread the military attitude of achieving one's goals through any available means.

A politicized military is harmful not only to national security but to the education of the nation's youth. Since every young man in Korea is obliged to serve in the military for 30 months, its educational role is just as great as any formal educational institution.

If what these young people see and learn in the military are unethical military attitudes and practices, their service in the military is a significant waste not only to themselves but to the entire society.

Hence, the incoming President needs to depoliticize the military first, if he intends to reform it, ex-analysts say. At the same time, he should be able to implant in the military, such virtues as loyalty to the nation, the spirit of self-sacrifice for national interests, perseverance, democratic leadership and rationalism.

In trying to put the military's house in proper order, Kim will likely face resistance from the officer group favored by their two main patrons—former President Chon and outgoing President No.

In fact, Kim does not seem all that interested in getting rid of them. During his election campaign, he tried to enlist the support of Chon. After the election, he already decided to pardon his followers who are in prison for their involvement in various types of corruption. As for No's favorites in the military, Kim will find it more difficult to handle them because of his special relationship with No.

Without depoliticizing the military, it will be impossible to implement a new value system. When a system is unjust, preaching will not be sufficient to make its members behave ethically.

There is one more urgent problem that Kim will have to deal with—the modernization of the military. In an era when military strength relies more on science and technology than on the number of soldiers, as was well demonstrated in the Gulf war, the Korean military needs to be restructured into a more technology-based one.

The size of the military population needs to be cut to channel the limited military budget into investments for high-tech weapons. This will not only increase the military's capabilities but contribute to solving the manpower shortage facing the economy.

During his election campaign, Kim talked very little about the modernization of the military or the military budget. Perhaps, he might not have given the proper amount of thought to this issue. But the task of reforming the military is at least just as important as reforming any other sectors of society.

EC Businessman Notes 10 Antitrade Restrictions

*SK2612053592 Seoul YONHAP in English 0504 GMT
26 Dec 92*

[Text] Seoul, Dec. 26 (YONHAP)—South Korea's opening to foreign investment is not wide enough, blocking development of its small- and medium-sized enterprises, according to a European business representative in Seoul.

Korea prohibits foreign investment in 49 areas, imposes severe limits in 155 and sets percentage ceilings in 49 others, Ulrich Hartz, chairman of a European Community Businessmen's Union in Korea, said in an interview with the German daily *HANDELSBLATT*.

The article, distributed here Saturday by the Trade and Industry Ministry, enumerates 10 different barriers tying up European businesses operating in Seoul.

Hartz urged Korea to remove them if it wants to attract investment, for which there is stiff competition.

Seoul tries to protect its small- and medium-sized enterprises by blocking foreign entry into business sectors that are of high interest in international circles, said Hartz, president of BASF Korea.

This was self-defeating, however, because it only served to block Korean enterprises from attaining new, advanced technology through partnerships with overseas companies, he said.

Korean revenue officials demand foreign companies' sales and profit records in third countries to prevent tax evasion and to check on prices, but these demands are in violation of the South Korea-EC agreement on avoidance of double taxation.

Because foreign companies are limited in acquiring real estate in Korea, they are forced into ineffective partnerships with Korean firms, he said.

Narrow financial market opening makes it hard for overseas companies to get the capital they need, and this is worsened by a lack of access to credit grants by Korean financial institutions.

It is entirely up to Seoul officials' discretion if they decide to postpone foreign investment by citing equivocal government regulations, Hartiz said.

Seoul Joins International Sugar Agreement

SK2812090392 Seoul YONHAP in English 0723 GMT 28 Dec 92

[Text] Seoul, Dec. 28 (OANA-YONHAP)—South Korea, the world's fifth largest importer of raw sugar, joined the International Sugar Agreement Dec. 23, the Foreign Ministry said Monday.

The 24-year-old agreement was established to pool information on the sugar industry and pricing and for joint research on sugar products.

Korea imported 1.15 million tons of raw sugar last year, about 4.4 percent of all traded sugar, registering it as the fifth largest importer.

Financial Policymakers To Deregulate Bank Rates

SK2612084692 Seoul YONHAP in English 0833 GMT 26 Dec 92

[Text] Seoul, Dec. 26 (YONHAP)—The Finance Ministry and the Bank of Korea (BOK) agreed to enforce the second-phase deregulation of the interest rates as early as possible if the conditions are met, a Central Bank official said Saturday.

They decided at a policy consultation meeting of the Finance Ministry, the BOK and the Monetary Board that the government should not influence the selection of executive members of the banks, Yu Si-yol, an executive of the BOK, said.

It was also agreed that the policy loans had better be dealt with by special banks or financed by the state coffers on a gradual basis in a way to enhance the effectiveness of the fund management, Yu said. But the forced lowering of the official interest rates including the

rediscount rate of the Central bank was not discussed during the policy talks, he said.

Finance Minister Yi Yong-man and BOK Governor Cho Sun, who are both head members of the Monetary Board, attended the meeting.

Recent Collapse of Small Firms Threatens Economy

SK2712030992 Seoul THE KOREA TIMES in English 27 Dec 92 p 9

[By staff reporter Pak Yun-pae]

[Text] A series of suicides committed by businessmen operating small enterprises are shocking news which tells how desperate the situation small and medium-sized companies are in. This year alone, four small firms operators killed themselves while in the depth of despair over business failures.

It is not a new story for small firms to be the worst victims of the fiasco in which government policy, largely centered on a small number of big business conglomerates, has landed the economy.

But now business circles are alarmed by the incidents because the businessmen's suicides might be the prelude to a mass funeral for small and medium companies.

Responding to the crisis, President-elect Kim Yong-sam vowed he will hammer out comprehensive measures to solve the structural problems of small and medium companies.

Kim said in his campaign pledge that he will inaugurate an emergency committee for small and medium firms under his wing and provide tax incentives for them.

However, it is still not clear whether he will come up with bold measures to realign the unbalanced industrial structure, which has benefited only "chaebol," or family-run conglomerates while sacrificing small enterprises.

Some political and economic analysts say that the next administration is expected to take action to decentralize economic power since Kim and the majority Democratic Liberal Party (DLP) were thrown into a confrontation with tycoon-turned-politician Chong Chu-yong.

Billionaire Chong ran for president, criticizing the incumbent government and the majority party of discriminating against the Hyundai Group he founded, but he performed poorly. He and Hyundai were under attack from Kim's camp because he allegedly appropriated the group's funds and mobilized employees for his campaign.

In this context, the small and medium industry expressed its hope that the new president's economic policy will focus more on promoting the development of small and medium businesses.

The Korea Federation of Small Business (KFSB) called on the president-elect to immediately commit himself to his campaign pledge, claiming that small and medium firms are facing the worst situation and more and more firms will go bankrupt if the government takes a wait-and-see attitude.

The KFSB also suggests that Kim exercise his influence so that the No administration can provide small companies a shot in the arm right now to break through the crisis.

Small and medium manufacturing firms faced a dire financial crunch, sluggish sales due to the economic downturn both at home and abroad, and ever weakening competitiveness.

Among the difficulties, financial strains are so severe that they cannot stand them any longer.

The latest suicide of an owner of an auto-parts making factory, the fourth of its kind, resulted from the financial straits he and his company suffered. Chong Yun-hyon, president of Chokwang Precision Co., hanged himself Tuesday, blaming his death on lack of government support.

Chong said in a suicide note that his company has suffered severe financial distress saddled with rising debts, adding that he could not get loans from banks because checks had bounced and his credit rating had hit bottom.

What is more heartrending is that an exemplary businessman killed himself Dec. 8 because of the dreadful financial crisis.

Ku Chon-su, president of Korea Gas Industry Co., left a note saying that small firms are not able to get money due to the government's distorted policy, despite over-supply of money in the financial market.

Ku, a shock absorber manufacturer, was awarded a gold medal for leading an outstanding small enterprise from the Trade-Industry Ministry.

More than 9,500 small and medium companies had gone bankrupt by the end of November this year, a remarkable increase from the 6,150 last year, 4,140 in 1990, 3,280 in 1989 and 3,570 in 1988, according to figures released Wednesday by the KFSB.

The total amount of dishonored bills or checks stood at 6.23 trillion won, up from last year's 3.74 trillion won, the KFSB estimates said.

The financial problem stems from the misconceived government intervention in major private commercial banks.

Financial institutions, which are heavily regulated by the government, require borrowers to put up collateral or provide guarantees for 100 to 200 percent of the loans.

So it makes it virtually impossible for owners of small businesses to get bank loans because they have little to offer as collateral.

Many business experts emphasized that government urgently needs to deregulate the banking system in order to give more room for small and medium companies.

Some critics urged the government to discard the government-arranged loans to big business groups and shift away from the heavy-handed banking policy in which the government dictates most interest rates and directs banks to make loans to specific industries deemed strategic for national development.

The financial crisis leads to low investment in research and development for small firms. Thus they cannot compete with big conglomerates in terms of quality and price of goods.

As a result, small and medium companies are suffering a vicious cycle of a lack of funds, low investment and deteriorating profitability, combined with sluggish sales. This will only lead them to shutting down their operation or going bankrupt.

Industrial analysts stress that the new economic policy of President-elect Kim Yong-sam will concentrate on reviving the flagging small and medium industry, considering that the industry is a solid basis for sound national development.

The task of resurrecting almost dead small and medium firms will be the first test of whether Kim can translate his pledges into action, they pointed out.

Kim Tae-chung To Research Reunification in Europe

*SK2812085792 Seoul YONHAP in English 0714 GMT
28 Dec 92*

[Text] Seoul, Dec. 28 (YONHAP)—Kim Tae-chung, who recently resigned as leader of the opposition Democratic Party, will leave for Europe in mid-January to do research on reunification, an aide said Monday.

Kim will spend the new year at his home in Tonggyo-tong, western Seoul, to exchange greetings with visitors, and is scheduled to have dinner with DP lawmakers and local chapter chairmen on Jan. 6. He will cap his political schedule by having dinner with DP [Democratic Party] post-holders and leaders of his private fraternities the following day.

The former opposition leader will complete the preparations for establishing a research institute to help him write a book on Korean politics since liberation by mid-January, and then leave for Europe, the aide said.

Kim will stay in Germany and other parts of Europe for two or three months.

Assembly Accepts Pak Tae-chun's Resignation

SK2612102192 Seoul YONHAP in English 0914 GMT
26 Dec 92

[Text] Seoul, Dec. 26 (YONHAP)—The National Assembly accepted a resignation of Pak Tae-chun as lawmaker Saturday, who is honorary chairman of the Pohang Iron and Steel Co. and former co-chairman of the Democratic Liberal Party (DLP).

Ku Chang-yim, head secretary of House Speaker Pak Chun-kyu, is supposed to fill the vacant seat in the unicameral house on a DLP's national constituency ticket. Pak submitted a letter of resignation late last week, saying that it was natural for a representative to give up a seat if he departed from the party that tapped him as lawmaker.

Meanwhile, the resignation of Kim Tae-chung, presidential candidate of the Democratic Party, was not accepted yet, due to some procedural matters, a parliamentary source said.

Ties With SRV To Initiate Economic Development

SK2512095292 Seoul CHUNGANG ILBO in Korean 22
Dec 92 p 5

[Article by correspondent Kim Chin-kuk from Hanoi]

[Text] The ROK and Vietnam signed a historical joint statement on the establishment of diplomatic relations on 22 December.

Since the ROK Army participated in Vietnam's civil war, it was inevitable for the two countries to have special relations. The ROK's establishing diplomatic relations with Vietnam puts the finishing touches on the ROK's northern policy. The only countries that have not established diplomatic relations with the ROK are Egypt, Syria, Zimbabwe, and Cuba. There is "a past that must be liquidated" between the ROK and Vietnam.

During the foreign ministers' meeting on 22 December, Foreign Minister Yi Sang-ok mentioned what effect the Cold War had on the two countries: "I regret that there was a temporary unhappy period between the two countries." For the first time as a high-ranking ROK Government official, he officially expressed regret over the past history, and said that we should develop relations in "a future-oriented" way.

This can be interpreted as trying to develop future friendly and cooperative relations rather than inquiring into past rights and wrongs. This should be based on the recognition that the ROK's participation in the Vietnam war was "an inevitable result" brought about by the cold war.

Minister Yi paid his respects at the grave of Ho Chi Minh, the father of the Vietnamese liberation war, before attending the meeting to establish diplomatic

relations between the two countries. He went through a symbolic procedure to abolish the past history.

The reason why the two countries are entering an era of reconciliation and cooperation is that, as Vietnamese Foreign Minister Cam pointed out, it is important and necessary for peace and security in this region.

Vietnam has lagged behind most of Southeast Asia because of its long liberation war and the U.S. economic blockade. It has, however, the potential to grow most rapidly because of high-quality human resources and abundant natural resources. Almost all other Southeast Asian countries have been subordinated to Japan's economy, but because of the U.S. blockade policy, Vietnam remained undeveloped.

As the U.S. blockade policy is in the process of being lifted, Japan is starting to enter Vietnam on a full-scale.

It seems that compared with other regions, Vietnam has considerably favorable conditions. Since the start of Vietnam's 1986 reform policy, it has introduced a market economy, and has received the international community's positive appraisal.

It is expected that Vietnam would become a magnificent base for the ROK to enter Southeast Asia, though belatedly.

Vietnam will become an associate member of ASEAN beginning next year. Vietnam is expected to cooperate considerably with the ROK rather than Japan. It is also anticipated that Vietnam may become an example of South-South cooperation which would appropriately put a hold on the hegemonism of big powers within Asia, that is China and Japan.

Already 60 ROK companies have entered Vietnam. The volume of trade between the two countries amounted to \$2.40 million last year, and as of late September, the volume of trade is \$3.34 million. This is an increase of 96.5 percent compared with the corresponding period of last year. Next to China and Russia, Vietnam is our third largest trading partner among the northern countries. ROK businesses received approval from the government to invest in Vietnam. This investment now totals \$180 million.

With the establishment of ROK-SRV diplomatic relations, both sides tentatively signed the agreement on economic and technical cooperation. The agreement includes establishing a vice ministerial-level economic joint committee, thereby providing a basis for expanding economic cooperation. Foreign Minister Yi Sang-ok also promised that the ROK will actively support Vietnam's policy on economic reform. He also said that economic-related agreements such as trade, double taxation prevention, investment guarantees, and aviation will be concluded at an early date. It was agreed that a systematic basis for activating economic cooperation will be consolidated.

Regardless of the rapid advent of economic relations, there still remain several problems that need to be solved. One of them is the problem of second generation Koreans in Vietnam. The government estimates that currently there are about 7,000 to 15,000 of them. The SRV Government also does not have any accurate material on this matter. About five percent of them are handicapped who need humanitarian aid.

The establishment of a job training center for them is being promoted at the civilian-level. It plans to educate 6,800 Vietnamese-Koreans and Vietnamese youths for 11 years giving aid amounting to \$3 million through funds raised by the Korean Catholic church. This project, however, needs to be carried out more actively from a humanitarian level. It is favorable to expand this project to Vietnamese war orphans also.

The Defense Ministry is now saying that there are only two Korean prisoners of the Vietnam war. At the Hanoi War Museum, however, there is a picture showing about 10 Korean prisoners of war who were captured alive. Therefore, there is room for more investigation of this matter. It seems that with the establishment of diplomatic relations, more interest should be shown concerning the Korean prisoners, and in repatriating the bodies of Korean soldiers who died during the Vietnam war.

What is of most importance, however, between the two countries is achieving friendly relations between the people of the two countries. During the foreign ministers' meeting, the ROK side promised to initiate human exchanges, including the dispatch of ROK's youth volunteer groups and technicians to Vietnam. The ROK side also promised to expand opportunities for Vietnamese youths by inviting them to South Korea to train and obtain knowledge of its technology.

Once a regular airplane service opens and a license system for travel eases, human exchanges are likely to increase rapidly. Regardless of ROK Government official's remarks, if the people of the two countries want to truly resolve past sentiments and establish friendly relations, then it is necessary that South Korea takes the initiative in calmly and honestly settling the past. This should be carried out before expanding relations in various fields.

Trade Official Leaves for Hanoi

*SK2612031992 Seoul YONHAP in English 0235 GMT
26 Dec 92*

[Text] Seoul, Dec. 26 (YONHAP)—South Korea will prepare institutional devices to facilitate trade and economic exchanges with Vietnam now that diplomatic relations have been normalized. Two such devices will be a trade agreement and an investment guarantee treaty.

To negotiate the agreements, a Trade and Industry Ministry team led by the ministry's director-general for

international trade promotion left for Vietnam on Saturday. A private economic mission is expected to fly to Hanoi in early February.

According to the ministry's plan, the government will steadily expand the ceiling of export insurance for shipments to Vietnam. It will send a joint government-private investment study mission and market survey teams to Hanoi next year.

In connection with Vietnam's construction of an export processing complex, the ministry will extend support with emphasis on small- and medium-sized firms to facilitate their advancement into Vietnam.

Ministry officials say labor-intensive industries such as textiles and electronics assembly would first advance to the Indochinese country. They will be followed by key industries and those in the areas of social overhead capital and resources development in connection with Vietnam's economic development plan, according to the officials.

Yi Sang-ok on Aid to Vietnamese Orphans, Disabled

*SK2412073592 Seoul YONHAP in English 0628 GMT
24 Dec 92*

[Text] Seoul, Dec. 24 (OANA-YONHAP)—South Korea may offer assistance to Vietnamese war orphans and the disabled in a humanitarian gesture to bury the unhappy past in bilateral relations, Foreign Minister Yi Sang-ok indicated Thursday.

"There was once an unfortunate period of time in South Korea-Vietnam relations," Yi said upon return from Hanoi. "Assistance for the orphans and the handicapped is recommendable from humanitarian perspective," he said.

Asked whether the assistance will be offered at government-level, Yi said Seoul would need to find out more details before discussing any specifics, indicating the assistance will be first at civilian-level.

South Korea and Vietnam restored Tuesday relations that were severed in 1975 after the Indochinese country was entirely communized. Seoul dispatched 310,000 soldiers to fight for Saigon between 1964 and 1974.

The two countries emphasized they need to overcome the past and to focus on future cooperation after signing the joint statement on diplomatic normalization, but Seoul is said to be planning special measures for Hanoi including priority consideration in loans from South Korea's Economic Development and Cooperation Fund (EDCF).

Vietnamese Foreign Minister Nguyen Manh Cam is expected to visit Seoul early next year, followed by Prime Minister Vo Van Kiet, as part of agreed exchanges of government officials, Yi said.

On some 150 Vietnamese boat people at refugee centers in Pusan, the foreign minister said the government will continue to work with the U.N. High Commissioner for Refugees (UNHCR) to have them resettle at third countries.

Seoul Sets 1993 Exports Target at \$83 Billion

*SK2412123392 Seoul YONHAP in English 1223 GMT
24 Dec 92*

[Text] Seoul, Dec. 24 (YONHAP)—The government on Thursday finally set next year's exports target at 83 billion dollars, up 8 to 9 percent higher than this year's, and imports at around 86.5 billion dollars, a rise of 6 to 7 percent.

The government thus hopes to peg trade deficits next year down to 3.5 billion dollars, down 1.5 billion dollars from this year, on a customs clearance basis.

A Trade and Industry Ministry official said that this year exports would reach 76.7 billion dollars, an increase of 6.7 percent over last year, and imports 81.7 billion dollars, up a mere 0.2 percent, recording trade deficits of around 5 billion dollars, 4.7 dollars less than last year.

In the first 11 months of this year, exports totaled 69.6 billion dollars, up 8.6 percent over the same period of last year, and imports 74.8 billion dollars, a rise of 0.2 percent.

In the final month of December, exports would amount to 7 billion dollars and imports 6.8 billion dollars, the official said.

Intellectual Property Protection Talks Noted

*SK2612064392 Seoul YONHAP in English 0618 GMT
26 Dec 92*

[Text] Seoul, Dec. 26 (OANA-YONHAP)—South Korea and Japan will discuss retroactive recognition and technology transfer at their fifth round of intellectual property protection talks in Seoul on Monday, the Foreign Ministry announced Saturday.

Korea is close to giving Japan the same conditions as the United States and the European community, mainly retroactive recognition from Jan. 1, 1980. But Korea is asking in exchange for technology transfer in the pharmaceutical and agricultural pesticide industries as they will be hardest hit by this agreement.

Korea gave retroactive recognition to some 500 items for the United States and 350 items for the EC under intellectual property protection laws introduced in 1987.

Officials did not disclose how many items Japan is asking to be covered by retroactive protection, but said it was fewer than for the EC.

Japan hoped to conclude the pact this year, but officials say it is most likely during the first half of next year.

Chong Yong-ku, director of the Korean Foreign Ministry's International Trade Department I, leads the talks

with Masatoshi Muto, director of the Japanese Foreign Ministry's Northeast Asia department.

Seoul Demands Japan To Apologize Over Sakhalin

*SK2512051392 Seoul YONHAP in English 0201 GMT
25 Dec 92*

[Text] Seoul, Dec. 25 (OANA-YONHAP)—Seoul has demanded that Tokyo apologize for abandoning tens of thousands of Korean laborers in Sakhalin after World War II and compensate them, Foreign Ministry officials said Friday.

South Korea had claimed that compensation for these forced laborers was neither discussed nor covered in the settlement in 1965, when Seoul and Tokyo normalized relations, and urged Japan to arrange and pay for their repatriation to Korea, the officials said.

Seoul actively brought up the issue at a meeting between the directors-general of Asian affairs of the two foreign ministries. The meeting was intended to discuss improvement of the legal status of Japanese [as received] residents in Japan, but Seoul wanted to make sure that Japan not try to resolve the issue without making a formal apology first, the officials said.

Some 50,000 Koreans, taken there as forced labor, were stranded in Sakhalin at the end of World War II while the Japanese were all brought back home. South Korea was under Japanese colonial rule from 1910 to 1945.

An estimated 42,000 Koreans, including 7,000 of the laborers, currently live in Sakhalin and about 10,000 of them wish to return to Korea.

Seoul insists that Tokyo must first admit to abandoning the Koreans and apologize before discussing compensation measures. South Korean officials demand that Japan restore the rights of these Koreans such as restoring their Korean nationality and returning their postal savings with the Japanese Government during the war years.

Japan's position is that all forms of compensation were settled at the time of diplomatic normalization but says it is willing to establish a special fund from a humanitarian aspect. It also says that the Koreans in Sakhalin, 70 percent of whom attained Russian nationality, are not a subject of discussion between South Korea and Japan.

Japan Delivers List of Wartime Forced Laborers

*SK2812053192 Seoul YONHAP in English 0504 GMT
28 Dec 92*

[Text] Seoul, Dec. 28 (OANA-YONHAP)—Japan has handed over a list of 17,107 Koreans taken to its soil for labor during World War II and is expected to give a list of 200,000 additional Koreans who served in the Japanese Imperial Army, a Foreign Ministry official said Monday.

The list of forced laborers, compiled by the Labor Ministry, is the third handed over by Japan since 1971. The first list, delivered in October 1971, contained the names of 21,700 people and the second, supplied in March last year, had 90,800 names, Kim Sok-u, director-general of Asian affairs, said. Kim was in Japan for a meeting of directors-general Dec. 24.

Tens of thousands of Koreans were forcibly taken to Japan and Sakhalin as labor slaves during the war, when Korea was under Japanese rule (1910-1945).

Provision of the list is part of bilateral efforts to settle the remnants of problems from the colonial years.

On compensation for Koreans abandoned in Sakhalin, the Japanese Government insisted it was fully settled in 1965 when Seoul and Tokyo normalized relations, Kim said.

Seoul explained that Japan must bear responsibility since it was Tokyo that refused to bring them back to Japan after the war when they still had Japanese citizenship, Kim said.

'Comfort Women' Sue Japan for Apology, Damages

SK2612015492 Seoul YONHAP in English 0052 GMT
26 Dec 92

[Text] Tokyo, Dec. 26 (YONHAP)—Four South Korean women, who were abused by Japan as sex slaves or forced laborers during World War II, filed a lawsuit against the Japanese government Friday, claiming an apology and damages of 286 million yen.

Ha Sun-nyo, 74, Yu Chan-i, 68, and two other women filed the suit with the Shimonoseki branch of the Yamaguchi district court, because they were taken to Shimonoseki from Korea. Ha said she was taken at the age of 19 by Japanese soldiers and sent to Shanghai, where she was forced into prostitution for frontline troops. Yu said that she was taken in 1944 to a munitions factory in Toyama prefecture and was forced to work without wages.

The forcible mobilization and labor violated the international labor organization's convention on forced labor, the suit says.

The Japanese Government should apologize and compensate them, because Japanese officials committed such illegal acts as part of its colonial rule, it says. Korea was under Japan's colonial rule from 1910-45.

Seoul To Use Tariff Systems Against Japan

SK2512014392 Seoul THE KOREA TIMES in English
25 Dec 92 p 9

[Text] The government will fully utilize safeguard and emergency tariff systems in order to prevent Japan from marketing machinery developed by Korean companies at prices lower than their true value before the localization.

Business concerns will be encouraged to develop products meeting the tastes of Japanese and manufacture them on a small scale.

These steps were decided in a meeting on the rectification of the chronic trade imbalance between Korea and Japan held at the Trade-Industry Ministry yesterday.

Presided over by Trade-Industry Minister Han Pong-su, leaders of 14 economic and trade organizations including the Korea Trade Promotion corporation (KOTRA) and the Korea Foreign Trade Association (KFTA) took part in the conference.

Han said that the government will consistently carry out the second five-year program for the localization of machinery and parts which are mostly imported from Japan. The second localization project was kicked off this year.

He said that 10 billion won will be supplied to enterprises which develop 52 core technologies.

An additional 20 billion won will be used for the localization of key electronic parts and technologies.

Han called upon business concerns to focus efforts on improving the quality of their products in a bid to expand their access to the Japanese market.

He said that the government will endeavor to expedite shipments to Japan next year as the Japanese government will undertake mammoth projects worth 13,6000 [figure as published] yen to boost its economy and expand imports.

In the meantime, Korea's trade deficit with Japan in the first nine months of this year stood at \$7.342 billion, a \$764 million improvement over the corresponding period of last year.

Specifically, exports to Japan decreased 5.4 percent to \$10.619 billion, while imports from it dropped 7.1 percent to \$17.961 billion.

The ministry forecast that the trade setback with Japan this year as a whole would stay at \$7.900 billion, down \$900 million from the record high deficit of \$8.8 billion last year.

Exports to Japan were forecast to decrease 5.3 percent to \$11.700 billion and imports from it 7.2 percent to \$19.600 billion.

Russia Seeks Better Ties Under Kim Yong-sam

SK2612010492 Seoul YONHAP in English 0026 GMT
26 Dec 92

[Text] Moscow, Dec. 25 (OANA-YONHAP)—Russia welcomed Kim Yong-sam's election as South Korean president Friday and said it hoped for even better Seoul-Moscow relations under his leadership.

"The Russian official circles hope that with Kim Yong-sam's election as president, good-neighborly relations between the Russian Federation and the Republic of Korea will reach a higher degree," Foreign Ministry spokesman Sergei Yastrzhembsky said at a press briefing.

Kim, of the Democratic Liberal Party, is the first president in 32 years without ties to the military.

The spokesman said Russia was assured the new administration would consistently develop inter-Korean dialogue.

Seoul, Russia Agree on 1993 Fishing Quota

SK2912021292 Seoul THE KOREA TIMES in English
29 Dec 92 p 9

[Text] Russia will allow Korea to catch up to 5,400 tons of mackerel and other fish around the waters of the Northern Kuril Islands in a government-to-government quota for next year.

Korea will offer 5,400 tons of sardine or other fish to Russian transporting and processing ships in barter for the mackerel haul.

The agreement came at the end of one-week-long fisheries talks between Yun Ok-yong, director of the National Fisheries Administration [NFA], and V.F. Korelsky, chairman of the Fisheries Committee of Russia, in Moscow, NFA officials said yesterday.

Korean fishermen will also be allowed to catch 150,000 tons of mackerel in Russian waters on a commercial basis for the coming year. Detailed terms of operations will be determined by the private sectors of the two countries.

When Yun asked for new quotas for salmon, crabs and codfish, Korelsky vowed to support cooperation between the private sectors on catches of the fish later, though not for 1993, according to the officials.

The third talks under the Korea-Russia Fisheries Cooperation Agreement signed in September 1991 will be held in Seoul in November 1993.

Burma**Minister: Door Open to Foreign Journalists**

*BK2912090692 Rangoon Radio Burma in Burmese
1330 GMT 28 Dec 92*

[Text] French Ambassador Mr. Alain Briottet paid a courtesy call on Information Minister Brigadier General Myo Thant at the latter's office at 1500 today.

At the meeting, the ambassador explained a French Television team's proposed visit to Burma in February 1993 to film Burmese culture and fine arts and inquired whether foreign journalists will be invited separately for the forthcoming National Convention. The minister answered although not separately invited they can come at any time. Frank and cordial discussions were also held on other matters of interest.

Present at the meeting were U Soe Nyunt, deputy minister for information; Colonel Aung Naing, managing director of Printing and Publishing Enterprise; U Than Maung, managing director of News and Periodicals; U Kyaw Min, chief editor of foreign news of Myanmar [Burma] News Agency; and U Sein Win, head of division of the ministry of information.

Troops Reportedly Harassing Catholics

*BK2912005592 Bangkok THE NATION in English
29 Dec 92 p A3*

[Text] About 40,000 displaced Catholics Burmese may soon flee across border into Mae Hong Son because of alleged harassment by Rangoon troops, a Catholic weekly said. The Bangkok-based UDOMSAN (Good News) WEEKLY said the Catholics had been forced out of their villages opposite Mae Hong Son by Burmese troops since April for refusing to abandon their faith. In its Dec 6-12 edition, the weekly said the displaced people were taking refuge in forests along the Thai-Burmese border. It said the Catholic Burmese were preparing to slip across the border if the harassment did not stop soon.

The publication said an unknown number of Catholic priests had been detained inside a town and prohibited from visiting the displaced group to fulfil their religious duties.

16 Rebels Surrender at Military Camps 3-18 Nov

*BK2812144492 Rangoon Radio Burma in Burmese
1330 GMT 28 Dec 92*

[Text] Members of the terrorist insurgent organizations, after realizing their wrongdoings, have been continuously returning to the legal fold, bringing along their arms and ammunition, at various military camps.

Some 16 terrorist insurgents returned to the legal fold at various military camps between 3 and 18 November. It has been learned that they were warmly welcomed by responsible personnel from the camps.

588 Refugees Repatriated From Bangladesh 24 Dec

*BK2512143692 Rangoon Radio Burma in Burmese
1330 GMT 25 Dec 92*

[Text] In accordance with the agreement reached between the leaders of the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, two delegations led by camp officials from the other side [Bangladesh], transferred 588 returnees—294 males and 294 females—from 119 households to our two reception centers yesterday.

It has been learned that a total of 4910 persons who left the country illegally—2,441 males and 2,469 females—from 1,101 households have been accepted so far.

368 Repatriated 26 Dec

*BK2712142092 Rangoon Radio Burma in Burmese
1150 GMT 27 Dec 92*

[Text] In accordance with the agreement reached between the leaders of the two countries on repatriation of those who illegally left Myanmar [Burma] for Bangladesh, delegations led by camp officials from the other side of the country [Bangladesh], transferred 368 returnees—171 males and 197 females—from 80 households to our two reception centers on 26 December.

Brunei, Malaysia & Singapore**Malaysia****Government Ready To Send Peacekeeping Troops**

*BK2412135492 Kuala Lumpur NEW STRAITS TIMES
in English 22 Dec 92 p 7*

[Text] Kuala Lumpur, Mon—Malaysia is prepared to send troops to Bosnia and Somalia as part of a peace-keeping force if a request is made by the United Nations and the Organization of Islamic Conference (OIC).

Deputy Foreign Minister Datuk Dr. Abdullah Fadzil Che Wan said although Malaysia was small and not a superpower she was proud to show the world that its people were kind-hearted.

Dr. Fadzil was speaking at a cheque presentation ceremony for the famine victims in Somalia and the war victims in Bosnia by the Persatuan Anak Melayu Johor (PAMJ) [Johor-born Malays Association] which collected more than \$(M)100,000 in a month-long fund-raising campaign.

He handed over a mock cheque for \$50,000 to the Abim [Muslim Youths Association of Malaysia]-Bosnian Fund, Enchik [Mr.] Nur Annuar Hashim, and another cheque for a similar amount to Mr. M.V. Nathan, vice president of the Malaysian Red Crescent Society (MRCS) who received it for the Somalis.

Dr. Fadzil said that at an emergency meeting of OIC foreign ministers in Jidda early this month, Malaysia had presented strong views on the urgency to stop the slaughter in Bosnia-Herzegovina.

Opposition Against Moves To Amend Constitution

BK2512014092 Kuala Lumpur NEW STRAITS TIMES in English 23 Dec 92 p 2

[Text] Kuala Lumpur, Tues—Semangat 46 [Spirit of '46 Party] will oppose any move to amend the Constitution if it adversely affects the position and sovereignty of the Rulers, its president, Tengku Razaleigh Hamzah, said today.

Describing Semangat 46 "as the only party of the Malays that defends and upholds the sovereignty of the monarchy", Tengku Razaleigh said the party would oppose any move that might lead to the destruction of the institution.

He said after a special meeting of the party's supreme council at his residence in Jalan Langgak Golf here that Semangat 46's support for the December 10 motion in the Dewan Rakyat [House of Representatives] did not in any way indicate its support for the proposal to amend the Constitution.

Accusing the press of misrepresenting the party's stand, Tengku Razaleigh said in a statement issued after the four-hour meeting that Semangat 46 supported the motion because it was confined to the incident at Istana Bukit Serene [Johor state ruler's palace] in Johor Baru.

The substantive motion was presented by Deputy Prime Minister Ghafar Baba following a police report made by hockey coach Douglas Gomez that he was assaulted by the Sultan of Johor at the palace.

Prime Minister Datuk Sri Dr. Mahathir Mohamed said yesterday Semangat 46 was confused about the proposed amendment which sought to remove the immunity of the rulers and not the monarchy.

Semangat 46, however, agreed that rulers were not free to commit criminal or civil offence.

He said the meeting also accepted in principle resolutions adopted by the Gagasan Rakyat's [People's Might] supreme council at its meeting yesterday. They were:

- the coalition would adopt a firm stand on the issue only after studying the draft of the proposed amendment; and,
- reiterating commitment to the sovereignty of the law under which every individual's life and property is protected.

"We condemn the government's present action of deliberately playing up the weaknesses of individual rulers with the aim of tarnishing the image of the institution," said Tengku Razaleigh.

He said the party urged all quarters including the government and the public to be more sensitive about the

feelings of the Malay community. Tengku Razaleigh, who had estranged himself from his allies—PAS [Pan-Malaysian Islamic Party] and DAP [Democratic Action Party]—by opposing the proposed amendment said that in the party's opinion the controversy between the government and the Malay rulers should be resolved only by the two parties, implying that no other parties, including Semangat 46, should get involved.

The Kelantan prince said "We also request the Malay rulers to be sensitive to the feelings of Malays before making any decision regarding any matter which could affect the institution of Malay rulers and the future interest of Malays and Muslims in this country."

This should include the use of the various mechanisms in the Rulers' Council, including the proposal by the late Tunku Abdul Rahman [first prime minister of Malaysia] that a Royal Tribunal be set up to ensure that rulers do not commit crime.

Tengku Razaleigh said the party would seek an audience with Malay rulers to clarify its position.

He added that Semangat 46 would convene a special general assembly early next year to discuss several resolutions on the issue.

Asked whether they had already met any of the rulers, he said they had met several of them.

Rulers Discuss Immunity Issue

BK2912105692 Kuala Lumpur NEW STRAITS TIMES in English 28 Dec 92 p 1

[By Manan Osman and Tengku Sarifuddin]

[Excerpt] KUALA LUMPUR Sun—Six Malay rulers and two regents attended a meeting chaired by the Yang di-Pertuan Agong [Paramount Ruler] Sultan Azlah Shah at Istana Negara [National Palace] today.

They are believed to have discussed the proposed constitutional amendment to remove the immunity of the rulers.

Present at the hour-long meeting were the Sultans [State rulers] of Kedah, Terengganu, Johor and Pahang, the Yang diPertuan Besar of Negri Sembilan and the Raja of Perlis together with the regents of Perak and Selangor.

The Sultan of Kelantan is in Mecca performing the umrah [minor pilgrimage] and the Sultan of Selangor is on holiday overseas.

Earlier in Pekan, the Sultan of Pahang said Federal Government leaders should meet the rulers informally to discuss the proposed constitutional amendment before the next sitting of the Conference of Rulers on January 16.

The Sultan said the proposed amendment should be discussed with the rulers as the matter was their collective responsibility.

The ruler expressed this to Menteri Besar [Chief Minister] Tan Sri Khalil Yaakob at an audience at the Istana Abu Bakar [state ruler's palace] in which the Tengku Mahkota [heir apparent] was also present. The Sultan left for Kuala Lumpur after the audience.

Khalil later told newsmen that he would convey the Sultan's wish to Prime Minister Datuk Sri Dr. Mahathir Mohamed.

"I will inform Dr. Mahathir that the Sultan has understood the objectives of the amendment and also his wish to have the informal meeting," Khalil said.

In Kuala Terengganu, Menteri Besar Tan Sri Wan Mokhtar Ahmad said he had briefed the Sultan yesterday on the proposal to amend the Federal Constitution to remove the rulers' immunity.

Speaking to reporters after a State Executive Council meeting here, he said the Sultan was aware of the changes that would be made to the constitution in relation to the issue.

This morning's meeting at Istana Negara was the second to be convened by the rulers over the past week. The first was at Istana Negri Sembilan [Negri Sembilan ruler's Palace in Kuala Lumpur] in Changkat Persekutuan, Bukit Persekutuan [Federal Hill, Kuala Lumpur] here last Monday attended by six rulers and the regents of Perak and Selangor. The Sultan of Kelantan did not attend.

The meeting at the Istana Negri Sembilan was preceded by a 90-minute meeting of the Sultans of Johor, Kelantan and Kedah at the Istana Anak Bukit [Kedah ruler's palace] in Alor Star.

The meetings were believed to have been convened in the wake of the government's proposal to remove the immunity enjoyed by the rulers.

The Dewan Rakyat [House of Representatives] adopted a motion on December 10 that the Sultan of Johor had abused his power and acted in contravention of the spirit of the Federal Constitution.

Deputy Prime Minister Ghafar Baba when tabling the motion in the Dewan Rakyat which expressed regret over the incident and called on the government to take whatever action necessary to prevent such an incident from recurring.

The motion was approved unanimously and the Dewan Rakyat is scheduled to sit on January 18 and 19 while the Dewan Negara [Senate] is scheduled to sit on January 20 to discuss the amendment to the Constitution to remove the rulers' immunity. [passage omitted]

Opposition Opposes Redrawing Election Boundaries

BK2812121692 Kuala Lumpur NEW STRAITS TIMES in English 25 Dec 92 p 2

[Text] Kuala Lumpur, Thurs—Five DAP [Democratic Action Party] members of Parliament [MP] today handed their petitions to protest the recent review and redelineation of parliamentary and state constituencies to the Election Commission here.

They were MP for Kepong Dr. Tan Seng Giaw, Tan Kok Wai (MP for Sungai Besi), Wee Choo Keong (MP for Bukit Bintang), Liew Ah Kim (MP for Seputeh), and Fong Kui Lun (MP for Klang).

Speaking on behalf of the group, Dr. Tan said they were challenging the legality of the exercise citing Article 113 (2) of the Federal Constitution, which prohibits such an exercise unless there is a lapse of eight years after the previous review.

As the last review was done on November 8, 1984, he said, the Commission was constitutionally prohibited from beginning any review until November 8 1992.

However, he added, the Commission had finalised the boundaries, maps and electoral districts for the redelineation of 165 parliamentary and 452 state constituencies, except those in Sarawak, by November 10.

Deputy Foreign Minister on Ties With China

BK2812062292 Kuala Lumpur BERNAMA in English 0348 GMT 28 Dec 92

[Text] Kuala Lumpur, 28 Dec (OANA/BERNAMA)—China and Malaysia should work closely as part of the East Asian community to face the challenges of the 21st century. Malaysian Deputy Foreign Minister Dr. Abdullah Fadzil Che Wan said Monday: "A prosperous China can be an engine of growth for East Asia and the Asia-Pacific regions".

He said this when opening the Islamic Industrial and Scientific Exchange Fair at the Putra World Trade Center here, the first exhibition by Chinese Muslims.

Dr. Fadzil said he was encouraged by the increasing co-operation and exchanges between Malaysians and Chinese in various activities, especially in trade, technology and science.

The four-day exhibition includes items such as handicraft, Chinese medicine, textiles, rugs and jewellery.

Commentary Views Challenges Facing UN in Cambodia

BK2812103092 Kuala Lumpur Voice of Malaysia in English 0800 GMT 28 Dec 92

[Station commentary]

[Text] The year 1992 will be remembered as the year in which the UN was always called upon to intervene in one crisis after another. The peace plan for Cambodia went into operation.

Malaysia wisely demonstrated its support for UN resolutions. A strong Malaysian contingent is serving in Cambodia. In addition, there is a large group of police personnel from Malaysia that is helping to maintain law and order.

It is very disturbing to read about elements of the Khmer Rouge taking the law into their own hands. It would appear that this lot of Cambodians want to frustrate the UN plan to hold elections in May next year. It is a war of nerves directed at and isolated at UN and government forces. The Khmer Rouge think that this will cause the UN peacekeeping force to pack up their bags and leave. If that were to be done, the losers will be none other than the mass of Cambodians themselves.

They have suffered in various ways for many years. Apart from American bombing and harrassments from the Vietnamese guerrillas in the 1960's and seventies, there was also the reign of terror unleashed by the Pol Pot regime. Cambodia was invaded and occupied by Vietnam for over 10 years. It took many years of patient ASEAN diplomacy to bring the Cambodian factions together. Eventually, the Paris agreement enabled the UN to institute an effective civilian and military presence.

A UN plan is the best possible hope for peace and stability in Cambodia. There is still much international goodwill towards Cambodia. The prerequisite is, of course, peaceful conditions. The Khmer Rouge should realize that much has changed in international relations. There is no reason, for example, why the UN should not mount an operation comparable to the present intervention in Somalia. As long as there is unanimity among the five permanent members of the UN Security Council, there is a legal foundation for such action. The only member that might not favor a stronger UN role in Cambodia is China. It used to be the principal source of arms for the Khmer Rouge. The perspective from Beijing is bound to be somewhat different from that elsewhere.

But whatever the differences of views, there must be no let-up as far as the reconstruction of Cambodia is concerned. The UN Transitional Authority in Cambodia with the 16,000-strong multinational force must be strengthened if need be. The lawlessness has to be stamped out and only a UN-sponsored force can bring this about.

It is to be hoped that the UN will play an equally significant role in Bosnia. In the name of humanitarian relief, the UN should claim power to deal with grotesque armed men who are frustrating UN auspices. UN can only hope to be as strong as its members allow it to be. However, with the ever-spreading nature of globalism and instant communications, the UN must try to live up to the ideals of its own charter.

Telecommunications Contract Signed With Thailand

BK2912075292 Kuala Lumpur BERNAMA in English 0309 GMT 29 Dec 92

[Text] Kuala Lumpur, Dec 29 (OANA-BERNAMA)—Telekom Malaysia Berhad (a Malaysian telecommunication company) and the Communication Authority of Thailand (CAT) concluded a U.S.\$77 million contract with Mitsui & Co. Ltd of Japan to install an optical fibre submarine cable system linking Malaysia and Thailand.

According to a Telekom Malaysia statement here Monday, the agreement was signed by Telekom Malaysia Executive Chairman Dr. Mohamed Rashdan Baba and CAT President Atsawin Saowarot with an representative of Mitsui at CAT's headquarters in Bangkok.

Called the M-T cable project, the link is part of the ASEAN Optical Fibre Submarine Cable Network (AOFSCN), which was planned by the governments and telecommunications administrations of the ASEAN countries.

The statement said that Telekom Malaysia and CAT signed an interim agreement in April last year to jointly execute the implementation of the project. The cable system capacity is equivalent to 7,560 telephone lines, it said.

The project, scheduled to be completed by August 1994, would be the last leg of the AOFSCN project. Currently, the Malaysia-Singapore and the Singapore-Indonesia cable linkages project are under way, the statement added.

The other legs of the AOFSCN, which are already in operation cover Kuantan-Kota Kinabalu, Brunei-Malaysia-Philippines, and the Brunei-Singapore.

Cambodia

UN Uruguayan Commander Threatens To Pull Out

BK2512090792 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Dec 92

[Text] I. On 20 December 1992, the general representing the National Army of Democratic Kampuchea [NADK] in Phnom Penh, accompanied UNTAC [UN Transitional Authority in Cambodia] representatives to bring back UNTAC personnel from Stoeng Tro village, in Prek Prasap district, Kratie Province.

Upon arriving there, the NADK representative of the Kratie battlefield described to UNTAC representatives and UNTAC staff the essential points concerning the implementation of the Paris agreement. This is similar to the statement made in Kompong Thom on 18 December 1992 saying that the Vietnamese aggressors, Vietnam's puppets, and UNTAC leaders have not implemented the Paris agreement but have instead carried out all kinds of activities and maneuvers to maintain the Vietnamese

aggressors and the puppet regime in order to kill Democratic Kampuchea personnel and murder the Cambodian nation and people. (Hi Lim), assistant to the representative of General Sanderson from Phnom Penh, was also listening.

After the NADK battlefield representative ended his description of the situation, the Lieutenant Colonel (Lt. Col.) of the held Uruguayan troops said his troops have come here at the order of UNTAC leaders. His troops have just arrived and do not understand the situation. Whatever UNTAC leaders order will be carried out. We do not know that UNTAC leaders have such intentions.

At this point (Hi Lim) butted in with a few words; however the Uruguayan officer continued to talk saying UNTAC leaders have ordered his group to find Democratic Kampuchea [DK] leaders. He said UNTAC leaders have told him that a number of DK leaders want peace and want to do business; some others want elections, and so do the DK people; only a few top leaders do not want peace, and so on.

The Lt. Col. continued: Now he understands everything. He absolutely supports the DK stance because it is very correct. He further said that the four parties should be equally represented; military officers from the four parties should be stationed in various provinces, including Kratie and Stung Treng.

He further said troops of the Phnom Penh side have arrested DK combatants and people and put them in jail in Kratie. He will demand that the latter be released and handed back to the NADK. He said the NADK is very firm and very disciplined. He stressed that if such an incident occurred again or if a clash took place, he would pull out all his troops from Cambodia.

MMWG on Establishment of Administrative Sectors

*BK2612104392 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1200 GMT
25 Dec 92*

[Text] On the afternoon of 21 December at the headquarters of the United Nations Transitional Authority in Cambodia [UNTAC], the Mixed Military Working Group [MMWG] held its 20th meeting under the chairmanship of Lieutenant Colonel (Danin Hini), UNTAC's planning officer. The meeting examined UNTAC's plan, whose execution will depend on cooperation between the Cambodian parties and UNTAC, to reorganize the country's geographical features and provincial border pattern with a view to transforming military regions in various provinces throughout Cambodia into administrative regions to create a neutral political atmosphere and mutual trust within the four parties, thereby effectively and correctly serving the objective of future elections.

Explaining the plan, Mr. (Danin Hini) gave detailed information about the border of each sector, the structure of UNTAC's monitoring forces in those sectors, and the following comprehensive document:

1. Sector 1 comprises Banteay Meanchey Province and the Sok San position. An UNTAC Netherlands battalion with its command post in the Sisophon seat will be stationed here.

2. Sector 2 consists of Siem Reap-Oddar Meanchey in which an UNTAC Bangladesh battalion, with its command post in the Siem Reap provincial town, will be stationed.

3. Sector 3 is Preah Vihear Province in which an UNTAC Pakistani battalion, with its command post in the Tbeng Meanchey seat, will be stationed.

4. Sector 4 is made up of Stung Treng, Ratakiri, Mondolkiri, and Kratie Provinces. An UNTAC Uruguayan battalion, with its command post in the Stung Treng provincial town, will be stationed here.

5. Sector 5 in the east comprises Kompong Cham, Prey Veng, and Svay Rieng Provinces in which an UNTAC Indian battalion, with its command post in the Kompong Cham provincial town, will be stationed.

6. Sector 5 in the west consists of Kompong Thom Province in which an UNTAC Indonesian battalion, with its command post in the Kompong Thom provincial town, will be stationed.

7. Sector 6 is made up of Koh Kong, Kampot, and Takeo Provinces and Sihanoukville. This sector will be manned by an UNTAC French battalion with its command post in Sihanoukville.

There is no sector 7.

8. Sector 8 comprises Battambang Province, excluding the Sok San area. An UNTAC Malaysian battalion, with its command post in the Battambang provincial town, will be stationed in this sector.

9. Sector 9 in the west consists of Kompong Chhnang and Pursat Province in which an UNTAC Tunisian battalion, whose command post is in the Kompong Chhnang provincial town, will be stationed.

10. Sector 9 in the east comprises Kompong Speu and Kandal Provinces and part of Phnom Penh city. An UNTAC Bulgarian battalion, with its command post in the Kompong Speu provincial town, will be stationed in this sector.

As for the special Phnom Penh region, it has its command post at the UNTAC headquarters in the city.

The outline of Cambodia's river and maritime regions, in which UNTAC's naval forces have been stationed, remains unchanged.

It is worth noting that UNTAC's aforementioned sectorial plan will be implemented as of January 1993.

At the meeting, Mr. (Danin Hini) also pointed out that the sectorial reorganization was aimed at promoting a neutral political atmosphere and mutual trust in preparation for free and correct elections in Cambodia. He also stressed that all Cambodian parties and UNTAC should correctly implement the Paris accord for the sake of Cambodia's peace, hinting that one party, the Khmer Rouge faction, continued to refuse to join the accord.

After his friendly explanation to the gathering, especially to the Khmer Rouge faction, Mr. (Danil) asked representatives of each Cambodian party to express his view on the meeting.

Addressing the meeting, Brigadier General Muol Roeup, representing the Cambodian People's Armed Forces, underlined the goodwill to have peace in the State of Cambodia, which has correctly executed the Paris accord and always closely cooperated with UNTAC. Although the Khmer Rouge faction continues to breach the accord, the Cambodian people's crucial and vital issue does not depend on the Khmer Rouge's poisonous, threatening maneuvers. What we should dedicate our great attention to is preventing the recurrence of the Khmer Rouge genocidal gang's disaster and maintaining law and order for the people in a genuinely peaceful Cambodia.

Brig. Gen. Muol Roeup also welcomed the plan presented by the meeting chairman and pledged to report the project to the Defense Ministry and disseminate it nationwide.

The other two parties also welcomed the plan, except Khmer Rouge representative Prum Kasem, who, like previous Khmer Rouge delegates, voiced his objection to and rejection of the plan. The Khmer Rouge group's tricky, tortuous attitude continues to cloud the meeting atmosphere, thus uselessly hindering the process of solving different MMWG issues.

It is worth noting that Prum Kasem initially pretended to be supportive of the UNTAC plan. However, he read a statement prepared by his superiors that contained a different substance from what he had said and also refused to examine and discuss the plan. The wording of his statement was aimed at blaming UNTAC and the SOC side for the implementation of the Paris accord on Cambodia.

In sum, the significance of his statement was to repeat two conditions against the reality of the accord's execution. All in all, the Khmer Rouge have continued to maneuver to hinder the Paris accord and to again punish our people. They have never relinquished their war-mongering ambition to reclaim power for the purpose of committing genocide again in Cambodia.

Editorial Blames KR for Creating Turmoil

BK2612141992 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 2300 GMT
23 Dec 92

[PRACHEACHON editorial: "Sincerely Unite To Strengthen a Neutral Political Environment in the Current Situation"—date not given]

[Text] Lately, the general situation has become very complicated and worrisome. The Khmer Rouge [KR] have daily intensified their breaches of the accord; terrorism, sabotage, and banditry in cities and townships have escalated; and abetting and instigating maneuvers to provoke turmoil and create anarchy have increased remarkably. This polluted situation has created obstacles to the efforts in the search for peace and national reunification.

As the incumbent administration and the host party, the State of Cambodia [SOC] side, from the beginning, has not only actively and sincerely implemented the terms of the accord, but has also dedicated its greatest attention to confronting the Khmer Rouge faction's military violations and the complicated situation in the rear to maintain a condition which is crucial for ensuring the success of the accord.

Although numerous obstacles, both major and petty, still exist after one year of the peace accord's implementation, the general situation in Cambodia has developed normally, thereby allowing many aspects of the implementation process to proceed. However, what is regrettable is that currently it appears that ill intentions have surfaced, creating a string of accusations concerning the issue of a neutral political environment, which is against the SOC side. This is obviously disgusting and unfair given the efforts made by the SOC. The latter, which has strived to maintain law and order, has been blamed for the latest phenomena that has created bewilderment.

By all accounts, it is not the SOC side's policy or interest to foment such an atmosphere to allow itself to be discredited and its reputation jeopardized. In fact, it is the political parties refusing to respect and abide by the accord and the Khmer Rouge faction encroaching upon the agreement on a daily basis—such as in Kompong Thom, Battambang, Banteay Meanchey, and Siem Reap-Oddar Meanchey Provinces—that have prolonged the people's suffering without respite. The Khmer Rouge actions are aimed at destroying the accord and ruining the SOC's reputation. They have no interest in letting the elections proceed peacefully since the election result will turn them into unlawful rebels in the wake of electing a legitimate government. That being the case, the Khmer Rouge will certainly step up military activities [words indistinct]. They will strive to foment political disturbances in the interior of the country and various political parties will subsequently become the targets of their attacks. However, they will blame the attacks on the SOC side, the incumbent administration.

Moreover, incidents have surfaced as a result of various political parties' internal conflicts over the problems of rank, positions, functions, interests, and deception while some others have ensued from banditry, assassination, and violence which are common law offenses or individual or normal conflicts in society.

In sum, the above phenomena will continue to occur and the situation will continue to evolve in a complicated manner. However, our main objective is to do whatever we can to make the process of implementing the accord successful. But to achieve this, a neutral political atmosphere should be fully ensured since it is a necessary condition for fair and free elections in Cambodia.

As the incumbent administration, our competent authorities at all levels, along with its efforts to prevent the Khmer Rouge faction's violations, should increase their vigilance and mastery and closely cooperate with UNTAC to prevent armed robberies, terrorism, and disturbances with a view to successfully maintaining law and order and social stability; ensuring the people's peaceful livelihood, and creating favorable conditions for diverse political parties to freely and lawfully carry out their activities. Importantly, they should strive to establish a neutral political atmosphere to allow the process of implementing the accord to succeed.

Along with this, we wish to call on all factions and political parties to display their goodwill and sincerity in joining hands to simultaneously and concertedly create a neutral political environment. Moreover, we would also like to appeal to UNTAC to continue to perform its tasks, maintain its neutrality, investigate all incidents, and take immediate actions against the faction or party that has caused negative phenomena.

A neutral political environment cannot be established, and even if it could it is only to some extent, if sincere actions and goodwill are only needed from the SOC side.

Thailand Thanked for Sanctions Against KR

BK2412140092 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 24 Dec 92

[“Statement of His Excellency Hor Namhong, foreign minister of the State of Cambodia”—dated 24 December; read by announcer]

[Text] I am very glad that the Royal Government of Thailand has agreed to cooperate with the United Nations in imposing partial sanctions against the Khmer Rouge.

This decision by Thailand is an important contribution to the peace process in Cambodia.

I am convinced that Thailand will adopt a similar attitude on anything concerning the ban on the export of precious stones from Pailin to be decided upon in the

future in line with the convention of the UN Security Council in its Resolution No. 792 dated 30 November 1992.

This action by Thailand will be an important influence on the development of the situation in which the Khmer Rouge have refused to implement the Paris agreement. It will also be a significant contribution to the preservation of Cambodia's natural resources and regional (environment), which is vital to Cambodia as well as Thailand.

This noble stand taken by the Royal Government of Thailand will benefit the two countries in the long run.

I am satisfied with this development and would like to express deepest thanks to the Royal Government of Thailand.

[Dated] Phnom Penh, 24 December 1992.

Phnom Penh Reportedly Sets Up Secret Police

BK2512092392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Dec 92

[Text] Reports from Phnom Penh say that the Vietnamese aggressors have trained 2,600 men as their hit squad. The Vietnamese aggressors call this hit squad the secret murder team. The reports also say that Vietnam has set out operational plans for the secret murder team, commencing from the beginning of the election campaign until the election itself. The following are the activities of Vietnam's secret murder team:

1. To pressure, intimidate, and threaten various political parties;
2. To threaten physically the leaders and members of various political parties;
3. To threaten, question, and then execute people.

Earlier, reliable sources said that the Vietnamese aggressors and puppets have set up two categories of puppet secret police: the first category, the M-3 secret police, has the task of keeping track of various political parties in Cambodia; the second category, the X group, has the task of eliminating personalities, be they individuals or political parties, whom the M-3 secret police has reported as having carried out activities in accordance with the 23 October 1991 Paris agreement, talked about Vietnamese aggressor forces in Cambodia and about insecurity in Cambodia, or carried propaganda for their parties, and so on. All inappropriate activities that do no serve Vietnam's puppet party, or that affect the Vietnamese aggressor forces will be destroyed by this X group.

People have observed that after the Vietnamese aggressors and the Phnom Penh puppets have set up their hit squad, political terrorist activities have increased and are spreading throughout Cambodia.

According to people's sources in Pursat, in mid-December 1992, Vietnam's puppets brought two truckloads of their troops, about 50 soldiers, from Division 91 to Pursat town. Upon arriving at the office of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, these troops got down from the trucks, ran toward this office, took down the FUNCINPEC banner, the portraits of the samdech [Sihanouk] and Prince Norodom Ranariddh, put them down on the ground and trampled them; and then left in their trucks.

People's sources have successively reported that there have been threats, hand grenade attacks, and murders of many members of FUNCINPEC and of the Buddhist Liberal Democratic Party. These incidents took place in Phnom Penh, Battambang, Kompong Som, Svay Rieng, and Pursat, and other provinces, to the point that His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council [SNC] issued a statement on 13 December 1992 concerning the lack of a neutral political atmosphere in Cambodia.

All these problems result from UNTAC not implementing correctly every clause of the 23 October 1991 Paris agreement. In particular UNTAC has not implemented the following major points:

1. UNTAC has not given a role to the SNC so that the latter can carry out its task as the legitimate, sole source of power in Cambodia during the transitional period;
2. UNTAC has not checked on the Vietnamese; and
3. UNTAC has not controlled the five major ministries.

Everyone clearly sees that UNTAC has not implemented the agreement but has instead colluded with the Phnom Penh puppets; maintained the puppet regime in power in order to decide state affairs as before and preserve the old Vietnamese aggressor forces, allowing vast numbers of new Vietnamese forces to flow into Cambodia; and drafted laws allowing Vietnamese to vote.

The Cambodian nation and people hold that if UNTAC continues to carry on like this, Vietnam's war of aggression in Cambodia cannot be ended. To end Vietnam's war of aggression in Cambodia so that Cambodia recovers genuine peace, independence, and sovereignty, UNTAC should go back to implementing the agreement correctly.

Hun Sen Sends New Year Greetings to Sihanouk

*BK2612070292 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
26 Dec 92*

[New Year greetings message from Hun Sen, prime minister of the State of Cambodia and member of the Supreme National Council, to Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, and wife; dated 25 December—read by announcer]

[Text] Greetings to His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council, and the royal consort.

Revered prince father and mother: On the occasion of the universal new year, I and my wife pray and ask for permission to wish the revered prince father and mother good health and longevity, and in particular a speedy recovery, to lead in national reconciliation and build national unity and move toward genuine peace for the nation and the motherland. Like all your children, I and my wife know and are convinced that only the revered prince father can be the cool breeze able to guide the Cambodian boat toward genuine peace.

Once again, I and my wife, along with the Cambodian People's Party and the State of Cambodia Government solemnly pledge that we will respect and follow the revered prince father until the end of our lives. With most profound respect and greetings to the revered prince father and mother.

Hun Sen Briefs Senator Sam Nunn on Developments

*BK2812063192 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
28 Dec 92*

[Text] His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party Central Committee, chairman of the State of Cambodia [SOC] Council of Ministers, and member of Cambodia's Supreme National Council, granted permission to Mr. Sam Nunn, head of a U.S. senatorial delegation and chairman of the Senate Armed Services Committee, to pay him a courtesy call and hold talks with him at the office of the Council of Ministers on the morning of 26 December. During the audience, H.E. Hun Sen gave a cordial welcome to the delegation and briefed it on the outcome of the implementation of the Paris agreement. The goal of the SOC faction, he said, is to see to it that the election of a constituent assembly can be held as scheduled. The negative aspects of the agreement's implementation are due to the Khmer Rouge faction's refusal to abide by the agreement and the difficulties they have created for the entire peace process in the military, security, social, and economic fields.

Dealing with the latest developments, H.E. Hun Sen stressed that whether the UN Security Council's imposition of sanctions on the Khmer Rouge faction to make them return to the peace process can be implemented or not is all up to the resolve of UNTAC [UN Transitional Authority in Cambodia]. It also depends on the cooperation of neighboring countries.

H.E. Hun Sen paid special attention to the recent violations by the Khmer Rouge faction when they attacked a number of districts in Battambang and Kompong Thom Provinces, robbed and massacred the people, and laid havoc to such social amenities as bridges, roads, hospitals, and schools, causing insecurity and blocking the implementation of the

peace agreement and the preparations for the upcoming election of a constituent assembly.

In his remarks, Mr. Sam Nunn expressed great pleasure at being able to talk with H.E. Hun Sen and listen to his eloquent explanation of the Cambodia peace process and the SOC faction's correct implementation of the Paris peace agreement. He said it gave him and the rest of his delegation a better understanding and interpretation of a number of important aspects of the implementation of the agreement encountered by the SOC faction and the other parties in preparation for the 1993 elections.

SRV Embassy Condemns Killings of Vietnamese

BK2712011692 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 Dec 92

[Text] The embassy of our country accredited to the Supreme National Council [SNC] of Cambodia has just sent a note to the SNC, the State of Cambodia, and the United Nations Transitional Authority in Cambodia [UNTAC] strongly condemning the recent barbarous massacres of Vietnamese residents in Cambodia. The note says:

Vietnam strongly condemns and demands an immediate end to all barbarous acts of terrorism and killing against Vietnamese residents and the Cambodian people. Vietnam urgently suggests that an investigation be conducted by the SNC, the State of Cambodia, and UNTAC so that appropriate punishment can be meted out to the perpetrators. It also demands that compensation be paid to the families of the victims by the perpetrators and that measures be promptly adopted to prevent a repetition.

Our embassy has also issued a press statement on this issue.

Government Expects To Join Postelection Coalition

BK2912061292 Hong Kong AFP in English 0512 GMT 29 Dec 92

[Text] Phnom Penh, Dec 29 (AFP)—The Phnom Penh government indicated for the first time Tuesday that it expected to have to share power following UN-run elections scheduled for May.

Previously, government officials have publicly maintained they would win up to 80 percent of the vote based on the amount of territory controlled by Phnom Penh's armed forces.

But senior government adviser Uch Kim An told a press conference that Phnom Penh officials expected to form a coalition government after the election.

"Even if the (government) wins a majority of the vote, we still would favor the formation of a coalition government because this is the only way to put into practice national reconciliation," he said.

The government has already asked the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party loyal

to Prince Norodom Sihanouk to join an alliance before the election, but its leader has steadfastly refused.

Diplomats and FUNCINPEC members believe a spate of attacks on the party's offices and assassinations of its workers are related to the refusal.

But Uch Kim An denied this, saying the attacks that have occurred throughout the country might instead be the work of the Khmer Rouge.

"We have never tried to force anybody to join hands with us," he said.

FUNCINPEC and the Phnom Penh government signed a political alliance in November 1991 after Sihanouk returned to Cambodia, but the royalist party soon reneged on the cooperation leaving the agreement all but worthless.

"We have signed an agreement already," Uch Kim An said. "It's a matter of how to put it into practice."

The government also charged that Khmer Rouge guerrillas were attacking their positions around the country, killing seven soldiers and civilians and wounding 13.

"The Khmer Rouge continue to attack and shell our positions in Kompong Thom, Siem Reap and Battambang (Provinces)," he said. "Thus, they continue to expand the territory under their control."

This would "affect the election in the sense that the local population will not be free to take part in the election as planned," he said.

In Kompong Speu Province, General Phan Thay said the Khmer Rouge ambushed an armoured personnel carrier Saturday, killing four soldiers and injuring eight.

Guerrillas firing 107mm rockets wounded four people, including three civilians, a week ago in the disputed central province of Kompong Thom, he said.

In addition, Uch Kim An defended the capture of the central Cambodian village of O'Sala where 21 and then 46 UN peacekeepers were held at gunpoint by the Khmer Rouge two weeks ago.

"O'Sala was, until after the signing of the Paris peace accords, under (our) control," he said.

He also charged that a UN water transport vehicle ran over two Cambodian children in central Cambodia last week, killing one little girl.

The report could not immediately be confirmed.

Hun Sen Signs UNDP Aid Documents 21 Dec

BK2712071092 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 26 Dec 92

[Text] On 21 December at the Council of Ministers office, a ceremony was held to sign five draft documents of the UN Development Program [UNDP]. His Royal

Highness [HRH] Prince Norodom Sihanouk has designated His Excellency [H.E.] Hun Sen, prime minister of the State of Cambodia, and Prince Norodom Ranariddh, member of the Supreme National Council [SNC], as his representatives to sign various draft documents in the name of the SNC during his absence.

The UNDP documents were signed by H.E. Prime Minister Hun Sen, representing the SNC, and Mr. Edouard Wattez, representing UNDP and the executive agencies of the program. The documents also include three International Labor Organization projects to be implemented by UNESCO to organize the region and environment of Angkor Wat Temple as well as a study on restoring irrigation systems to be carried out by the Mekong Committee Secretariat. Prince Norodom Ranariddh will soon sign the documents in the name of the SNC so as to complete the signing formality.

The amount of funding reserved for the five projects is \$12.5 million, including \$1.9 million donated by the Netherlands Government.

Tie Banh Receives Bangladesh Military Delegation

BK2512085992 Phnom Penh SPK in French 0413 GMT 25 Dec 92

[Text] Phnom Penh 25 Dec (SPK)—General Tie Banh, defense minister of the State of Cambodia [SOC], on 22 December received in Phnom Penh Lieutenant General Mohammad Nooruddin Khan, commander in chief of the armed forces of Bangladesh who is on a visit to Cambodia at the head of a military delegation.

The Cambodian minister informed his guests on the implementation of the Paris peace agreement, which is still facing difficulties due to incessant violations by the Khmer Rouge.

"Instead of granting access of their zones to the UN Transitional Authority in Cambodia (UNTAC), the Khmer Rouge have many times taken members of the UN peacekeeping force hostage," stressed the Cambodian minister who reiterated the SOC goodwill to cooperate with the United Nations and the international community in the Cambodian peace process.

For his part, the lieutenant general of the Bangladesh armed forces affirmed that the Government and Army of Bangladesh will further strengthen their cooperation with Cambodia so that there will be peace in the country as soon as possible.

During his visit, to last until 24 December, the military delegation of Bangladesh is scheduled to meet Yasushi Akashi, UNTAC chief, and his military commander General John Sanderson. It will visit units of the Bangladesh armed forces on a peacekeeping mission in Cambodia (?before) visiting the provinces of Kompong Thom and Siem Reap, where cease-fire violations by the Khmer Rouge are constant.

Chea Sim Receives Japanese Delegation 24 Dec

BK2612065892 Phnom Penh SPK in English 0419 GMT 26 Dec 92

[Text] Phnom Penh SPK December 26—Cambodian People's Party Chairman Chea Sim received here on December 24 a Japanese parliamentary delegation led by Mr. Natsuo Yamaguchi, a deputy of the Social Democratic Party of Japan, who was on a four-day visit to Cambodia.

Speaking to the Japanese (?guest), Chea Sim expressed warm welcome to the delegation's visit and considered it an important contribution to the strengthening of relations between the two peoples.

The Cambodian leader also highly valued Japan's contribution to the Cambodian peace process and to the rehabilitation of Cambodia, especially the Japanese aid in reconstructing the Chrouy Changva bridge and National Road 2 and 3.

He also brought out the latest development in the country, particularly the recent cease-fire violations of Khmer Rouge in Bavel district, Battambang Province, which have rendered more than 10,000 villagers displaced.

The Social Democratic Party of Japan has supported the bill in sending Japanese troops to join the U.N. Transitional Authority in Cambodia (UNTAC).

Japanese Troops Hold Bridge Repair Ceremony

OW2612062392 Tokyo KYODO in English 0551 GMT 26 Dec 92

[Text] Phnom Penh, Dec. 26 KYODO—A groundbreaking ceremony was held Saturday in Phnom Penh to repair a broken bridge that used to span the Tonle Sap River in the Cambodian capital and was a symbol of the friendly ties between Japan and Cambodia.

Japanese Ambassador to Cambodia Yukio Imagawa and Foreign Minister Hor Namhong of the Phnom Penh government attended the session marking the start of repairs to the so-called Japan Bridge.

"The bridge will enhance the friendly relationship between the two nations," Imagawa said in his address.

With about 2.7 billion yen in aid from the Japanese Government covering the construction costs, the bridge is scheduled to be completed by March 1994, Japanese officials said.

The bridge was first built in 1963 with the construction costs disbursed from reparations from Japan for Cambodia's World War II damages, they said.

The 700-meter bridge broke down in September 1972 in the wake of the Vietnamese invasion of Cambodia.

Hor Namhong, So Khun Speak

*BK2612085392 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
26 Dec 92*

[Summary] On the morning of 26 December, a groundbreaking ceremony was held to repair the Chrouy Changva Bridge in Phnom Penh. "At this ceremony, among those taking part were Sim Ka, member of the Cambodian People's Party [CPP] Central Committee and chairman of both the Phnom Penh municipal party committee and people's committee; Hor Namhong, foreign minister and member of the Supreme National Council [SNC]; Dit Munti, member of CPP Central Committee, information and press minister, and SNC member; So Khun, member of CPP Central Committee and minister of telecommunications, transport, and posts; His Excellency Yukio Imagawa, ambassador extraordinary and plenipotentiary of the Kingdom of Japan to Cambodia; Ieng Muli, vice chairman of the Buddhist Liberal Democratic Party; ministers; deputy ministers; directors general; leading officials; and representatives of various Japanese companies."

In his opening address Minister So Khun reviewed the history of the Chrouy Changva Bridge and Japanese involvement in the bridge's construction and repair saying "according to plans, the repair of the Chrouy Changva Bridge will be completed by the end of 1993 or early 1994 at a cost of about 2,002,633 million Japanese yen." Afterward, Japanese Ambassador Imagawa spoke about the background of the bridge repair project which, once completed, will "link by road the capital to provinces in the north," and his conviction that "this achievement would facilitate travel and trade exchange in these areas."

In his return speech, Hor Namhong reviewed the background of the Japanese involvement in the Chrouy Changva Bridge repair project, citing the international conference in Tokyo in June on Cambodia's rehabilitation and reconstruction; praised and expressed thanks for the contributions of Japan and other countries; and said: "This bridge will actively contribute to restoring Cambodia's economy and improve the Cambodian people's living standards in general." Hor Namhong further said: "Only the meticulous and correct implementation of the Paris agreement, under the astute leadership of His Royal Highness Prince Norodom Sihanouk, head of state and SNC chairman, can bring happiness and prosperity to our people, as the prince father has often said. It is in this spirit that we appeal to the side that is refusing to implement the agreement and is violating the accord to consider and have pity on the nation and our people who are demanding peace and national reconstruction."

Finally Hor Namhong pledged "to do the maximum to fulfill the SOC tasks and facilitate the work of Japanese friends to meet the planned target."

Kompong Som Port Signs Contract With Local Firm

*BK2512095892 Phnom Penh SPK in French 0420 GMT
25 Dec 92*

[Text] Phnom Penh 25 Dec (SPK)—A cooperation agreement was recently signed between the Kompong Som Port Authority and the Phal Peanich Company. The contract lasts for 15 years with initial capital of one million U.S. dollars. The Phal Peanich company is a local firm whose investment is so far the highest among other private Cambodian firms.

This is the first time a private company has signed a cooperation contract with the state in this sector. The company is currently working to equip itself with modern instruments and qualified workers, and to reorganize warehouses.

Indonesia**Alatas Reports to Suharto on Issues**

*BK2812104192 Jakarta ANTARA in English 0955 GMT
28 Dec 92*

[Text] Jakarta, Dec 28 (ANTARA)—Indonesia will attend the emergency meeting of the coordinating bureau of the Organisation of Islamic Conference (OIC) which will be held in Dakar, Senegal, on January 18 to discuss the Palestine issue.

After reporting to President Suharto at the Bina Graha Presidential office on President Abdou Diouf's invitation to the emergency talks, Foreign Minister Ali Alatas told newsmen that the emergency meeting is also expected to discuss the latest developments in Bosnia.

The emergency meeting will be held under the request of PLO leader Yasir 'Arafat.

Alatas said that the Dakar meeting will include talks on the latest developments in Palestine and the fate of 415 Palestinian refugees who were expelled by Israel from the Gaza strip.

In reply to a question on the Indonesian stand towards the Bosnian conflict, the minister pointed to the Indonesian attitude when it convened the Yugoslav Charge de Affaires recently to explain its inconvenience about the Serbian behavior.

"We have condemned (Serbian act..Red) and explained our inconvenience," the minister said adding that Indonesia will keep abreast of developments in Bosnia and Serbia.

To President Suharto, Alatas also reported the results of his meeting with Portuguese Foreign Minister Jose Manuel Durao Barroso in New York on December 17 to discuss the East Timor issue.

He said the meeting did not produce a concrete result but an agreement to meet again in Rome, Italy, in March 1993.

President Suharto said Indonesia will continue to adopt a good attitude towards any country on the question of East Timor but it will also continue to consolidate the newest province which integrated into Indonesia in 1976.

The minister said that before he met with Butrus-Butrus Ghali, Indonesia had received a request from the UN Secretary General to send a delegation to an informal meeting on Somalia in Addis Ababa, Ethiopia on January 4.

The invitation was delivered to President Suharto in his capacity as chairman of the Non-aligned Movement (NAM). Indonesia has attended previous meetings which discussed humanitarian assistance.

Alatas said that the meeting in Ethiopia will discuss political solution to Somalia which at present has no government. Conflicts among factions in Somalia have resulted in thousands of Somali people starving to death.

Upon hearing Alatas reports, the head of state said that Sayidiman Suryohadiprojo was appointed as ambassador at large for Africa and Nana Sutresna was named coordinator for the implementation of the president's policy in his capacity as the chairman of NAM.

Concern Voiced Over Bosnia; New Ties Announced

BK2412153692 Hong Kong AFP in English 0958 GMT 24 Dec 92

[Text] Jakarta, Dec 24 (AFP)—Jakarta Thursday expressed concern and outrage to an envoy from the rump state of Yugoslavia over its lack of help in efforts to solve the long-drawn conflict in Bosnia-Herzegovina.

"Just a few moments ago, I have just summoned and received the charge d'affaires of the so-called federation of Yugoslavia ... we expressed our concern, outrage and unhappiness over what has happened" in Bosnia-Herzegovina, Socio-Political Affairs Director General Wiryono Sastrohandoyo said.

Speaking after the half hour meeting at the Foreign Ministry building with Charge d'Affaires Nenad Zirojevic, Wiryono said that "Serbia is not being helpful and even more so, has worsened the situation further."

Sanyoto added that Indonesia's Ambassador to Belgrade, Sanjoto Pamungkas, who had been recalled provisionally a month ago, will now remain in Jakarta "for an indefinite period."

Jakarta, which has in September replaced Yugoslavia as chairman of the Non-Aligned Movement, has maintained a "very reasonable" attitude over the question of Yugoslavian status and the conflicts there, but now the situation in Bosnia-Herzegovina has only worsened, Sanyoto said.

He added that Indonesia might take further actions after monitoring the situation in Bosnia-Herzegovina and after

the January 15 deadline set by the Organization of the Islamic Conference for a review of the Yugoslavia question.

Meanwhile the Foreign Ministry in a statement issued Thursday announced that Jakarta had opened diplomatic ties with Turkmenistan. A joint communique on the matter had been signed on December 12 in Moscow by the respective ambassadors to the Russian Federation.

Expulsion of Palestinians 'Strongly Condemned'

BK2412155292 Hong Kong AFP in English 0951 GMT 24 Dec 92

[Text] Jakarta, Dec 24 (AFP)—Indonesia Thursday strongly condemned the recent Israeli expulsion of 418 Palestinian civilians from the occupied territory.

"The Indonesian Government strongly condemns the said act of expulsion because it constitutes a blatant violation of the rights of the Palestinian people, the U.N. charter and the universal declaration on human rights," Socio-Political Affairs Director General Wiryono Sastrohandoyo said.

Sanyoto said Jakarta fully supported a resolution of the U.N. Security Council that strongly condemned the expulsion and called on the council to pressure Israel to respect U.N. resolutions on the matter.

Khmer Rouge Blamed for Cambodian Situation

BK2612091892 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 26 Dec 92

[From the press review]

[Text] Writing about Cambodia, BERITA YUDHA describes the Khmer Rouge as the faction held responsible for the worsening situation in that country. The daily says while the UN peacekeeping forces are trying to do their duty well, the Khmer Rouge guerrillas do not extend their support to the UN forces and have instead created disturbances and obstacles to the UN operations. Therefore, BERITA YUDHA warns that if the United Nations does not take stronger actions against the Khmer Rouge, their peace mission in Cambodia will not be successful.

Laos

Vote Count Complete in 17 of 18 Constituencies

BK2912053192 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 29 Dec 92

[Text] Latest news reports indicate that as of 1730 on 28 December, the vote counting on the results of the Third National Assembly election has been completed in 17 out of 18 constituencies throughout the country. Yesterday, we reported up to number 14 on the result of the election in constituency 2—Khammouane Province. Following are the subsequent numbers of the constituencies for which vote counting has been completed:

15. Constituency 6—Luang Prabang Province. In this constituency, there were 12 candidates for seven seats in the Third National Assembly. There are altogether 150,438 eligible voters. Of these, 149,666, representing 99.49 percent of the total voters, turned out to vote. There were 117 void ballots, or 0.08 percent of the total.

16. Constituency 16—Sekong Province. There were four candidates with two to be elected. There are altogether 30,172 eligible voters. Of these, 29,868, representing 98.99 percent of the total voters, exercised their right to cast their votes. There were 16 void ballots, or 0.05 percent of the total.

17. Constituency 11—Bolikhamsai Province. There were six candidates for three seats. There are in total 74,095 eligible voters. Of these, 74,020, representing 99.90 percent of the total voters, turned out to vote. There were 35 void ballots, or 0.05 percent of the total.

18. Constituency 2—Phong Saly Province. The latest reports said that as of the afternoon of 28 December, vote counting has been completed in four out of seven districts.

Election 'Important Step' Toward Political Reform

*BK2512043892 Bangkok BANGKOK POST in English
25 Dec 92 p 4*

[By Saritdet Marukathat]

[Text] The election in Laos last Sunday was another attempt by the landlocked country to bring about political reform while holding on to the one-party system.

Almost two million Laotians cast their ballots to choose 85 representatives for the National Assembly in what was the second election since the Lao People's Revolutionary Party seized power in 1975.

The outcome of Sunday's election—to be officially known by December 30—will bring the first legislative assembly provided under the 80-article constitution promulgated a year ago.

President Nouhak Phoumsavan said on polling day that the event was an "important step in the improvement of the organisation of the political system of the democratic regime as provided in the constitution."

"After the election we are going to improve our state according to the line that genuinely calls for the state of the people, by the people and for the people," he said.

Analysts said Vientiane is going step by step to bring about political reform that is in line with changing political situations in the world even though such a gradual approach will take quite a long time.

The first legislature—the Supreme National Assembly—was set up by appointment in 1975 to reconcile all ethnic groups in the country. Fourteen years later, in 1989, Laos for the first time elected the Supreme National Assembly

whose main task was to approve the constitution that was adopted in August last year. The assembly was dissolved and renamed the National Assembly immediately after the constitution was promulgated.

Under the constitution, the assembly has a five-year term and is empowered to make decisions on "fundamental issues". It supervises and oversees all activities of the administrative and juridical bodies.

But observers said the assembly's prescribed powers are meaningless in practice because all it can do is to approve policies handed down from the ruling party.

"It will be just a rubber stamp to officially give the nod to any policy of the communist party. Party membership or approval by the party will determine the success of candidates," one commented. "The communist party is still the main power in Laotian politics," he added.

President Nouhak and Phoumi Vongvichit, a party adviser and Laotian statesman, reaffirmed that Laos would maintain the one-party system. "The one-party system will be in Laos forever," Mr Phoumi told reporters in Vientiane.

Surachai Sirikrai, director of the Institute of East Asian Studies, said the election is another attempt of the communist party to expand its supporting base among the people.

Laotian leaders are still worried about anti-communist activities aimed at toppling the one-party system, he noted. The so-called "reactionaries" still worry them although under the current situation makes it almost impossible for anti-government insurgents to operate successfully, he added.

"Through election the party expects to get more support from the people," the Thammasat University lecturer said.

Other sources saw the election as an attempt by Laos to shore up legitimacy and credibility in the face of need for aid from the international community. "At least Laos can tell other countries that it has legislative, judicial and administrative structures," one observer commented.

International aid donors to Laos have shifted from the communist block to Western countries since the collapse of the former Soviet Union in 1991. At the same time aid from non-communist countries is on the rise especially from Japan, Sweden and Australia.

But some sources still question the readiness of Laotian leaders to deal with non-communist countries. They said Laotian leaders are still wary about undesirable Western influences despite their stated insistence that they would like to develop relations with all countries.

"I'm still doubtful about their readiness," one analyst commented.

But Mr Surachai said Laotian leaders recently have become more open-minded and are attempting to effect both economic and political reforms, looking to ideological friends in Vietnam, China—and even Russia—as examples. “They are learning good and bad examples from those countries, even from Thailand,” he said.

They have realised that they have to adapt themselves according to changing situations, another source added.

A business source said the new national assembly has no real powers. “Many know from the beginning who will and who won’t get elected,” he commented.

But the election of the new assembly at least showed that Laos has a system and structure that is an important source of confidence for the future of investments and business in the country, he added.

Leaders Send Greetings to Cuba’s Castro

BK2512141892 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 25 Dec 92

[Text] On 25 December, President Nouhak Phoumsavan and Prime Minister Khamtai Siphandon of the Lao People’s Democratic Republic jointly sent a telegram of congratulations to Fidel Castro, president of the Council of State and president of the Council of Ministers of the Republic of Cuba. The message reads:

On the occasion of the 34th anniversary of the victory of the revolution in Cuba, on behalf of the party, government, and people of Laos, we would like to convey our best wishes to you and through you to the party, government, and fraternal people of Cuba. Over the past 34 years, despite the complicated international situation, the Cuban people have courageously followed the clever and brilliant guidance of the Communist Party of Cuba under your leadership. They have bravely struggled to overcome various obstacles and have achieved great victory in defending and building the country.

We are confident that the longstanding friendly relations, solidarity, and cooperation between the parties, governments, and peoples of the two nations will continue to improve and expand constantly. All this is in the interests of the peoples of the two countries, Laos and Cuba, as well as in the interests of peace, stability, and international cooperation.

On this glorious occasion, we wish you good health and that you will attain greater success in the tasks of defending and building the country.

On the same occasion, Phoun Sipaseut, deputy prime minister and foreign minister of Laos, has also sent a telegram of congratulations to Ricardo Alarcon de Quesada, minister of foreign relations of the Republic of Cuba.

Leaders Thank DPRK Counterparts for Greetings

BK2912105292 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 26 Dec 92

[Text] Recently, Khamtai Siphandon, chairman of the Lao People’s Revolutionary Party [LPRP] Central Committee and prime minister, and Nouhak Phoumsavan, president of the Lao People’s Democratic Republic [LPDR], separately sent messages of thanks to Kim Il-song, general secretary of the Workers Party of Korea Central Committee and president of the DPRK, and Yon Hyong-muk, premier of the DPRK, for the greetings that the party and state leaders of the DPRK have conveyed to our Lao party and state leaders on the occasion of the 17th anniversary of the LPDR. In the greetings messages, the DPRK party and state leaders highly praised the leadership of the LPRP which has overcome difficulties and won great achievements in defending the revolutionary gains as well as in developing the country.

In the messages of thanks, our Lao party and state leaders expressed the conviction that the relations of friendship and cooperation between the two parties, two states, and two peoples of Laos and Korea will be further enhanced and expanded.

On the same occasion, Phoun Sipaseut, deputy prime minister and minister of foreign affairs, has also sent a message of thanks to Kim Yong-nam, vice premier and minister of foreign affairs of the DPRK.

Philippines

Ramos To Visit China ‘Sometime Next Year’

HK2812092892 Hong Kong AFP in English 0841 GMT 28 Dec 92

[Text] Manila, Dec 28 (AFP)—Philippine President Fidel Ramos plans to visit China “sometime next year” after he completes a swing through fellow member-states of the Association of Southeast Asian Nations (ASEAN), a foreign department official said here Monday [28 December].

Department spokesman Victoriano Lecaros said the purpose of a Beijing trip “could run the whole range of issues,” from trade to the two countries’ overlapping claim over the Spratly Islands in the South China Sea.

Reacting to a newspaper report here that Ramos would visit China from April 27 to May 2, Lecaros said that so far the president has only been able to visit Brunei and Thailand, and it would be “four more to go before China or anywhere else.”

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand. Brunei, Malaysia, Taiwan and Vietnam also claim the Spratlys either in whole or in part.

Security Adviser Views Clinton's Asia Strategy*HK2812062392 Manila MANILA STANDARD in English 28 Dec 92 p 4*

[Report by Arnold Atadero]

[Text] Chief national security adviser Jose Almonte told a group of immigration officials attending a recent three-day seminar that the election to the American presidency of Democratic Party candidate Bill Clinton is not likely to change drastically the American military and political strategy in Asia.

Almonte also said he expects the United States to keep up its military presence in the Asia-Pacific region "over the foreseeable future." "Although we expect this military role to recede, proportionate to the decline of the perceived threat from the former Soviet Union."

The retired military one-star general, who is President Ramos' most trusted civilian security adviser, added that "while isolationist sentiment in the United States is rising, the linkages of the international economy enforce a continued global role on the last superpower."

Immigration Commissioner Zafiro Respicio had invited Almonte as one of their resource persons in the seminar/workshop for immigration division, section and unit chiefs held in Tagaytay City recently.

Respicio said that the workshop tackled the immigration bureau's age-old problems and many other issues to help inform, educate and keep the immigration officials, noted for their parochial approach to immigration problems, abreast of the times.

While saying that Clinton's election to the American presidency will not alter drastically America's economic and military strategy in Asia, Almonte, however, believes that the president-elect will "probably" put more stress on burden-sharing in collective security arrangements.

"Mr. Clinton may also resort to stricter trade and protectionist policies as he looks inward to deal with America's loss of its competitive edge in world trade," Almonte said.

The security adviser said that he expects Russia, which is preoccupied with economic issues, to scale down its military presence in East Asia as it has done so in Cam Ranh Bay and in the China-Mongolian border but to a lesser degree in the Kuriles opposite Japan.

Almonte noted that Russia's transition to a market economy is blocked by administrative inefficiencies which conservative forces are seizing on to foment popular dissent. "If and when, the ouster of (Boris) Yeltsin will trigger off a new round of tensions most strongly in Europe," he pointed out.

Analyzing China's possible role, Almonte said this country will probably desist from military adventurism—despite its occasional muscle-flexing in the South China Sea.

U.S. Missionary Reportedly Still Held by MNLF*HK2912013592 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Dec 92*

[Text] Major General Romeo Zulueta has clarified that American missionary Father Augustine Frazczack is still in the hands of Moro National Liberation Front [MNLF] members. Zulueta believes the military can rescue the missionary priest, who was kidnaped by the MNLF on 22 October.

In related news, Father Oscar Ampe has denied the reported release of Father Frazczack. It will be recalled that a news agency reported that the MNLF will kill the priest if the people concerned do not pay the 5-million Philippine peso ransom.

Kidnapers Agree to Ransom Payment*HK2912113592 Quezon City ABC-DWET Television in Tagalog 1000 GMT 29 Dec 92*

[From the "ABC-DWET News Program"]

[Text] Kidnappers of the U.S. missionary Augustine Frazczack today told [Catholic] Church leaders they will accept the initial payment of P500,000 [Philippine pesos] in return for his release. Basilan Bishop Romulo de la Cruz said negotiations with the kidnapers are continuing, although the Church is firm on its stand not to pay ransom. Frazczack's kidnapers had given the Church until 15 Jan to pay the P5 million ransom they demanded.

Espionage Suspect Employed by Tourism Office*HK2912095392 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Dec 92*

[Text] The Department of Tourism [DOT] today confirmed that Joseph Garfield Brown is a contract employee teaching tae kwon do to tourist police. Brown was reported today by wire services to have been arrested in the United States for espionage and accused of giving secret documents to Filipino officials.

Rafael Relucio, chief of the DOT Tourist Security Division, said Brown has a contract with the DOT to teach tae kwon do from 1991 to the end of this year. Brown's contractual appointment was approved by former Tourism Secretary Rafael Alunan III, who is now secretary of the Department of Interior and Local Government.

Relucio said all they know is that Alunan approved Brown's papers, and they never thought he was a spy.

Pardon Urged for U.S. Colonel's Killers

HK2812142492 Quezon City ABC-DWET Television in English 1300 GMT 28 Dec 92

[From the "ABC-DWET News Program"]

[Text] The Justice Department recommends to Malacanang the unconditional pardon of the two killers of American Colonel James Rowe. Rowe was ambushed in 1989 by two members of the New People's Army.

The ambush happened in front of the Joint United States Military Advisory Group [JUSMAG] in Quezon City. Convicted for the murder were Donato Consente and Juanito Itaas.

Justice Under Secretary Ramon Esguerra recommended amnesty for the two suspects after noting that they carried out the ambush for the communist cause. The American government is very much against this.

Rowe was an anti-insurgency expert and was the head of JUSMAG at the time of his assassination.

Ramos Approves Expansion of Amnesty Program

HK2912051592 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Dec 92

[Text] President Ramos has approved the expansion of the government's amnesty program to include rebels guilty of common crimes committed in the course of their fight for political ideologies. The president expects that leftist rebels, like communist party leader Satur Ocampo who accused the present administration of giving priority to rebel soldiers' release, will benefit from the move.

CPP Urges Intensified Armed Struggle

HK2812070092 Manila PHILIPPINE DAILY INQUIRER in English 27 Dec 92 pp 1, 8

[Report by Juliet M. Labog]

[Text] The Communist Party of the Philippines [CPP] yesterday called upon its members and the people to "expand and intensify the armed revolution" to bring about "nationwide seizure of political power."

The underground party named the Ramos administration as the "principal target of the revolutionary movement."

In a statement issued to mark the party's 24th anniversary, the CPP Central Committee [CC] said the country's "semicolonial and semifeudal system" continued to deteriorate and the people had "no way out of their intolerable oppression and exploitation" but to resort to armed struggle.

"The (CPP) celebrates the 24th anniversary of its establishment with a greater resolve than ever to unite the party membership and raise higher the fighting will and

capabilities of the Filipino people against the enemy—the U.S.-Ramos clique," the CPP statement said.

The statement was titled "Unite to Raise Higher the Fighting Will and Capabilities of the Party and the People, Carry Out the Decisions of the Tenth CC Plenum."

In Utrecht, Netherlands, where he is on self-exile, CPP founding chairman Jose Ma. Sison said the communist movement would continue to pursue armed struggle because the conditions that spawned the insurgency had worsened.

In an interview with the INQUIRER, Sison said: "That (the armed struggle) is the revolutionary function being carried out by the CPP. What I gather from the (anniversary) statement is that the CPP is strengthening itself in the field of armed struggle so that General Ramos cannot just talk about weakening it and making it subservient to his terms during the peace talks."

He said the National Democratic Front [NDF], umbrella organization for the underground Left, maintained that new exploratory and formal talks should be held in a foreign venue.

The government is awaiting NDF's response to its invitation to hold the new round of talks in the country.

Sison laughed off government claims that the communist movement had weakened considerably.

Sison hinted he was not optimistic about ongoing efforts to hold formal peace talks.

"There are certain problems posed by Ramos," Sison said in the interview. "Actually, the main line of action being undertaken by the Ramos regime is the total war policy, which involves the bombardment of communities, torture, and zoning in Metro Manila and the countryside. His main objective is still to destroy."

"The Ramos line is that talks would move ahead only if there is a weakening of the revolutionary forces," he said. "So it is the Ramos regime that is setting conditions before every step (in the peace process) is taken."

Sison criticized the "territorial consultations" being made by the National Unification Commission which, he said, was meant to isolate the NDF leadership.

He also deplored Mr. Ramos' recruiting of CPP "renegades" and government moves to amend the Constitution.

The plans to shift to the parliamentary form of government, Sison said, is but a guise to bring about a "Marcos-type authoritarianism."

The CPP said its 24th anniversary was significant because it followed the "great victory" of the CPP when the Central Committee held its 10th plenum.

The plenum, reportedly held in July somewhere in Southern Tagalog, was attended by all regular CC members, "except for a few (16 percent) who were prevented by military operations."

All CC members "except one under investigation" support the plenum decisions, the statement said.

"The most important decision taken by the 10th plenum is the recognition of the urgent necessity of undertaking the rectification movement in view of the grave ideological, political and organizational errors which have caused serious setbacks and losses," it said.

Ramos on ASEAN Free Trade Area, Peace Process

HK2812142192 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 28 Dec 92

[Weekly news conference by Philippine President Fidel V. Ramos' at Malacanang palace, Manila with foreign and domestic correspondents and unidentified moderator—live, in English]

[Excerpts] [passage omitted] [Moderator] Mariano Coles.

[Coles] Good Afternoon, Mr. President. In the proposed ASEAN Free Trade Area [AFTA], with ASEAN serving as nucleus and expanding that group later to include non-ASEAN members, what are the quid pro quos to that setup? How much would the tariff rates be scaled down, and on what products, and what is the timetable for this scale to be fully operational?

[Ramos] Okay. If you remember, the concept of AFTA was agreed upon by the leaders of ASEAN during their summit meeting in Singapore, January 1992. And they agreed that there would be continuous consultations among their economic ministers, foreign ministers and senior officials. An AFTA Council was formed which would set up the more detailed regulations for the implementation of the concept. Now, all of those subsequent steps have taken place during this year. The arrangement is that within 15 years, the ASEAN would become a free trade area—free trade in the sense that tariffs would be reduced to 0 percent for most products and 5 percent for the balance.

So, in effect, there would be a substantial reduction of tariff barriers throughout ASEAN for most products, and the products that are being agreed to are the subject of these meetings. I think there are more than 400 items that are the subject of free trade in 15 years.

[Coles] What would be the role of richer countries like Japan, South Korea, Taiwan, Hong Kong in the AFTA?

[Ramos] Well, I think it's clear why this agreement was entered into, and that is to make the ASEAN countries—as a group—more competitive. The lowering of tariff barriers would force the businessmen, the manufacturers, the industrialists, the exporters in all of the

ASEAN countries to be as efficient as possible and, therefore, they would not any more need tariff protection. This is necessary because of the globalization of trade and other regional groupings are also being formed. Now unless the ASEAN countries became more competitive, especially in the products in which they have comparative advantage, then they could not cope with these emerging conditions in the world economy.

Now, Japan, Taiwan, Korea, Hong Kong and the other tigers, including the countries in Western Europe and in North America, could, of course, have the opportunity to trade openly with ASEAN without having to overcome tariff barriers. By the same token, we at ASEAN can trade openly with the countries composing NAFTA [North American Free Trade Agreement] as well as the countries composing the European Community. This should spur, theoretically, world economy because of increased quality of products, maybe lower prices and, hopefully, there will be also greater purchasing power in the hands of consumers, including those in our region. [passage omitted]

[Moderator] Tanni Rodriguez, Philippine Broadcasting Service.

[Rodriguez] Just your reaction, sir, on two issues regarding the peace process with the Left. Satur Ocampo [alleged spokesman of National Democratic Front who has been released from detention] this morning, at Manila Coffee Forum, said the National Democratic Front is dissatisfied with the alleged low rate of release of political prisoners as compared to the detainees who belong to RAM-SFP-YOU [Nationalist Revolutionary Alliance-Soldiers of the Filipino People-Young Officers Union]. May we have your reaction on this, sir?

[Ramos] Well, again, he is mouthing the same old jargon of his group. For your information, and the spokesperson will give you a copy of this later on, I have just signed a memorandum addressed to the three-man committee headed by [Justice] Secretary Drilon—and its members are [Defense] Secretary De Villa and [Interior and Local Government] Secretary Alunan—to consider as covered by the listings that they are making, as to what could be a qualification for coverage by Proclamations 10 and 10a, the common crimes committed by various individuals in the pursuit of their ideological beliefs. In other words, many of the so-called extreme leftists are going to benefit from this memorandum that I signed the other day. So, I think that negates this charge of Mr. Ocampo very effectively.

[Rodriguez] Just one more issue, sir. The statement of the....

[Ramos, interrupting] By the way, I think the public should take notice that they continue to mouth their hard line—pursuit of the armed struggle—when the whole country is crying for peace and when the whole world has already rejected communism as a way of life and as an economic system. You might mention that in your story also.

[Rodriguez] That was my follow-up question, sir. Thanks a lot, sir. [passage omitted]

Jet, APC Purchases Scrapped Due to Budget Cut

HK2612040292 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 25 Dec 92

[Text] The Armed Forces of the Philippines [AFP] will no longer buy six more S-211 trainer jets and 150 Simba armored personnel carriers that were supposed to be shipped to the Philippines next year.

This is the result of a P455-million [Philippine pesos] cut made by Congress in the AFP budget for the purchase of military equipment.

Congress instead allocated funds for the AFP Modernization Program, which emphasizes the acquisition of assets needed to protect the country's territory.

Justice Secretary, Other Appointments Announced

HK2512023492 Manila PHILIPPINE DAILY INQUIRER in English 25 Dec 92 p 1

[Text] President Ramos has reappointed Justice Secretary Franklin Drilon and four other members of his Cabinet whose nominations were recently by-passed by the Commission on Appointments [CA]. Also signed by President Ramos on Dec. 18 were the appointment papers of Press Secretary Rodolfo Reyes, Interior and Local Government Secretary Rafael Alunan, Transportation Secretary Jesus Garcia and Finance Secretary Ramon del Rosario. Reyes said their appointments were not taken up last week by the 25-man commission for lack of time. The body, he said, will take up their appointments early next year.

Before adjourning for Christmas, the CA unanimously approved the appointments of Agrarian Reform Secretary Ernesto Garilao and National Economic Development Authority Director General Cielito Habito. The body also confirmed Brigadier Generals Raul Urgello, Benito Diamos, Regino Villanueva, Ildfonso Dulinayan and Ismael Villareal. Also confirmed were Ambassadors Rafael Seguis (Iraq), Domingo Siazon (Japan) and Narcisa Escaler (United Nations), among others.

In another development, Malacanang yesterday announced the appointments of Dr. Lylia Sena and Dr. Serafin Maleficio, as presidents of the Bicol University and the Paglaum State College, respectively. The President also named Presidential Legal Counsel Antonio Carpio as member of the Board of Regents of the University of the Philippines [UP]. Also appointed as UP regents were Dr. Perla Santos Ocampo, Emerenciana Arcellana and Nelia Gonzales. The President also designated Federico Andio as director for Region 8 of the Philippine Information Agency.

New Visayas, Mindanao Army Chiefs Named

HK2512142692 Quezon City ABC-DWET Television in English 1300 GMT 25 Dec 92

[From "ABC-DWET News Program]

[Text] [Philippine] Army troops in the Visayas and Mindanao will be getting new commanders. Tomorrow, Brigadier General Thelmo Cunanan will be the new army chief in the Visayas. Cunanan replaces Major General Romeo Zulueta who assumes leadership of the Southern Command base in Zamboanga City. General Zulueta takes over from Lieutenant General Gumercindo Yap, who will retire next month.

Thailand

Prasong Returns From SRV, Says Talks 'Successful'

BK2512141092 Bangkok Army Television Channel 5 in Thai 1230 GMT 25 Dec 92

[Text] Foreign Minister Squadron Leader Prasong Sun-siri and his delegation returned from the official visit to the SRV this afternoon. He said the discussions he had with Vietnamese leaders were successful and noted that an agreement has been reached to increase bilateral trade, adding that the Vietnamese Government will host the second meeting of the joint economic cooperation commission. Sixty-three Thai fishermen who were detained in Vietnam also returned home with the foreign minister's delegation.

[Begin recording] [Prasong, in progress] ...learn that detained fishermen were eager to return home, so we brought them home with us. Regarding Thai fishermen who remained in detention in Vietnam, I had a discussion with the Vietnamese and wish to inform you that the Vietnamese will release another batch of Thai fishermen soon. I have already instructed our consul in Ho Chi Minh City to earnestly work for the release of our fishermen as soon as possible. [end recording]

On Cambodian Sanctions, Visit

BK2612031092 Bangkok THE NATION in English 26 Dec 92 p A2

[Text] Thailand and the United Nations Transitional Authority in Cambodia (Untac) are to hold their second meeting on Monday to discuss the implementation of the UN oil products sanction against the Khmer Rouge, Foreign Minister Prasong Sun-siri said yesterday.

Prasong said Untac's military chief Lt Gen John Sanderson will meet with the deputy permanent secretary to the Foreign Ministry Sarot Chawanawirat at his office on Monday.

The two sides will discuss details of the implementation of the UN security council resolution on the oil embargo

against the Marxist faction whose refusal to enter the final phase of the Paris accords has put the peace process in jeopardy.

The measures to enforce the sanction will include setting up of checkpoints along Thai-Cambodian border to prevent the import and export of oil products in the Khmer Rouge controlled zones. Lt Gen Sanderson had said after the first round of talks last week that the Untac checkpoints would be set up in the Khmer Rouge zones, but this was rejected by the faction.

Prasong said Thailand was ready to comply with the UN resolution and was willing to set up the checkpoints in its territory to enforce the resolution. The Thai checkpoints, Prasong said will be established opposite the Untac's in the Khmer Rouge areas.

Prasong said that the sanction on oil products should prove to be effective as soon as Untac and Thailand, as a neighbouring country of Cambodia, reached agreement on the enforcement of the UN resolution.

Prasong dismissed reports that said Cambodia's Supreme National Council (SNC) set Dec 31 as the deadline for the ban on exports of logs and gems out of Cambodia.

"I want to stress that the ban, effective from January 1993, only applies to the export of logs from Cambodia," Prasong said.

The UN resolution passed in November to push the Khmer Rouge into rejoining the peace agreement was only a "threat" to support the SNC in banning the export of gems from Cambodia, he said.

An informed source, meanwhile, said that the Thai government still harboured hopes that the SNC would be able to agree to a Thai request to postpone the deadline for the ban on the export of logs. Thailand had not specified exactly how long a postponement it wants.

The source said, after six months, the SNC would possibly lift the logging ban temporarily to allow Thai traders to bring the lumber out from Cambodia.

Prasong was speaking at the Don Muang military airport after ending an official three-day visit to Vietnam.

Prasong said that Vietnamese Foreign Minister Nguyen Man Cam expressed concern over the deadlock in the Paris peace agreement. The two countries also agreed that the Khmer Rouge should not be isolated from the Cambodian peace process. Vietnam has proposed to certify that Vietnamese immigrants in Thailand would lose their citizenship once they became naturalized Thais.

The proposal came during Wednesday's plenary meeting in Hanoi between Thai and Vietnamese delegations chaired by both foreign ministers, after the Thai side sought clarification from Hanoi on whether Vietnamese could hold dual citizenship.

Officials with the Thai delegation said Hanoi clarified that its constitution allowed Vietnamese to hold dual citizenship. According to the constitution, those who adopted citizenship in another country would lose their original nationality only after the approval of the Vietnamese government.

According to Thai law, dual citizenship is allowed but not encouraged, the Thai officials said. Some Thai security officials have expressed fear that Hanoi could still influence Vietnamese who were granted Thai citizenship. The officials said the Vietnamese would enjoy diplomatic protection from Hanoi if they continued to hold dual citizenship.

—Chat Phatthana Party leader Chatchai Chunhawan yesterday dismissed Foreign Minister Prasong Sunsiri as not measuring up to the requirements of a diplomat, on his arrival here yesterday from Vietnam. Chatchai was referring to Prasong's criticism that the delegation he led to Vietnam on Saturday offered Vietnam false hopes, thus misleading Thailand's neighbour. He added: "If Prasong really said so, then he is a good for nothing diplomat."

Reviews Three-Day Visit

BK2812023692 Bangkok Radio Thailand Network in English 0000 GMT 28 Dec 92

[Text] The Thai-Vietnamese Joint Economic Commission will hold the meeting early next months to seek ways and means to expand bilateral trade ties. Speaking after his return from a three-day visit to Vietnam, Foreign Minister Prasong Sunsiri noted that Vietnam agreed to solve problems faced by Thai investors in that country. On the problem of the economic exclusive zone which has affected fishermen, the minister said the issue was raised for discussion and Vietnam is considering setting up a Vietnamese consulate in Thailand to handle the issue. He said during his visit Vietnam agreed to release 63 Thai fishermen arrested in that country. Another batch of Thai fishermen being detained there will be free soon.

The minister said Thailand will grant Thai nationality to the Vietnamese refugees who fled their country to Thailand 40 years ago. Both countries share the same view on peace process in Cambodia. They also agreed to cooperate more in Mekong development program for their mutual benefit.

The minister said that Vietnam called on Thailand to help develop communications network in the region as it considered that Thailand has capability in this field.

Prasong To Meet Khmer Rouge Leader Khieu Samphan

BK2512061692 Bangkok THE NATION in English 25 Dec 92 p A1

[By Kulachada Chaiphipat]

[Text] Foreign Minister Prasong Sunsiri said yesterday he would meet one-on-one with Khmer Rouge leader Khieu Samphan on Monday to try to persuade the Marxist group to rejoin the United Nations-sponsored peace process.

Prasong said he would seek clarification from "the horse's mouth" as to why the Khmer Rouge refuses to be disarmed and enter into the second phase of the peace plan. The venue for the meeting is not known.

Prasong said earlier he would also discuss with the Khmer Rouge leaders a proposal calling for a presidential election to give legitimate power to Prince Norodom Sihanouk prior to the UN-supervised general election scheduled for May.

The minister also did not rule out discussing with Khieu the Thai-Japanese proposal to strengthen the role of the Supreme National Council.

"It is very difficult to foresee the result. Let me work on it first," said the minister when asked about the chances of prodding the Khmer Rouge into accepting the peace process. The UN has given the Khmer Rouge until Jan 31 to register for the election.

Prasong yesterday held private talks with Vietnamese Foreign Minister Nguyen Manh Cam that focussed mainly on efforts to ensure full implementation of the Paris peace agreement. Prasong refused to divulge details of the talks.

At a joint press conference afterwards, both ministers met with tough questioning on their positions on the current impasse in the Cambodian peace efforts.

Cam avoided direct comment on Thailand's current position on the UN sanctions against the Khmer Rouge, directing the questions to Prasong instead.

"If Thailand adopts resolute measures, the Khmer Rouge will have to reconsider its position and implement the Paris agreement" Cam said.

Prasong said Thailand had clearly demonstrated its support for the peace accords signed last year in Paris, citing a recent decision to close the Thai-Cambodian border to Khmer Rouge fuel imports and log exports.

He said Thailand had recently provided channels of communication for the Khmer Rouge which consequently succeeded in securing the release of four Untac [UN Transitional Authority in Cambodia] personnel.

Prasong said that disarming the Cambodian parties, especially the Marxist Khmer Rouge, is Untac's responsibility and not that of any single country.

A three-page joint statement from the meeting also pledged to strengthen their bilateral cooperation in the fields of trade, investment and tourism as well as on regional and international issues of mutual interest.

The two countries agreed to conduct further negotiations on the delineation of over-lapping areas the two countries share in the Gulf of Thailand, and on other sea and fishing concerns.

Prasong signed an agreement providing Vietnam with Bt150 million baht [as published], at three percent interest, to purchase Thai commodities, as well as an agreement on the avoidance of double taxation. Thailand is the second country to conclude such an agreement with Vietnam after Australia.

In a related development yesterday US Senator Sam Nunn, chairman of the Senate Armed Services Committee, visited Prime Minister Chuan Likphai for talks on the Cambodian problem.

Nunn is scheduled to leave for Cambodia tomorrow, according to a US Embassy official.

Khieu Samphan: Position 'Will Not Change'

BK2812132692 Bangkok Radio Thailand Network in Thai 1200 GMT 28 Dec 92

[Text] At 1430 today, Khmer Rouge leader Khieu Samphan met with Foreign Minister Squadron Leader Prasong Sunsiri for over two hours on the situation in Cambodia. Khieu Samphan informed newsmen after the meeting that the Khmer Rouge stand will not change and the Khmer Rouge will not cooperate with the United Nations to bring peace to Cambodia as long as there is no verification of withdrawal of Vietnamese soldiers. He said the Khmer Rouge will not permit the UN Transitional Authority in Cambodia's peacekeeping force to set up checkpoints in the areas under its control or guarantee safety of officials entering its areas. Commenting on the UN Security Council resolution to boycott the Khmer Rouge to force them to join the peace process, Khieu Samphan said it is strange that the United Nations would boycott Cambodians who are waging a struggle to expel foreign forces.

More on Meeting

BK2912050892 Hong Kong AFP in English 1313 GMT 28 Dec 92

[By Robert Birsell]

[Excerpt] Bangkok Dec 28 (AFP)—A hard bargaining session between Thailand and the Khmer Rouge failed to produce a breakthrough Monday, with the Thai side suggesting a new meeting of all Cambodian factions to rescue the faltering Cambodian peace process.

Thai Foreign Minister Prasong Sunsiri, speaking after a 2-1/2 hour session with Khieu Samphan, nominal leader of the hard-line Marxist faction, suggested that he had hoped for more progress.

But both he and Khieu Samphan told reporters—without giving a date—that more talks would be held soon.

"I had hoped that the situation would improve, but that depends on the cooperation of all Cambodian factions," Prasong said.

"If in the future the Khmer Rouge and Prince Sihanouk, Son Sann and (the government in) Phnom Penh have discussions face-to-face it would be easier to solve the problem," he said.

Khieu Samphan stuck to his faction's hardline position, repeating that the Supreme National Council (SNC), the reconciliation body which groups all four Cambodian factions, should be vested with more power and that the withdrawal of Vietnamese forces be officially verified.

"The SNC (must be in a) position to cooperate with UNTAC (the United Nations Transitional Authority in Cambodia) to supervise and control the implementation of the Paris agreement, mainly to supervise and control the withdrawal of foreign forces from Cambodia," Khieu Samphan said.

He repeated that Khmer Rouge demands had to be met before United Nations peacekeepers would be allowed into their zones to begin disarming Khmer Rouge soldiers or to set up border checkpoints to monitor a U.N.-backed ban on the export of logs.

"The whole world knows our position," he said.

Before UNTAC could move in to Khmer Rouge-controlled zones, the two main Khmer Rouge conditions have to be met, he said.

"Before implementing the (disarming phase of the peace plan), UNTAC has to implement at first the provision concerning the SNC and the withdrawal of Vietnamese forces from Cambodia," he said.

"We hope that the situation may improve. So we (the Khmer Rouge and the Thai government) have to talk again about this problem," he said.

Asked about sanctions against his faction, the Khmer Rouge leader reacted with annoyance.

"Why sanction against us, Democratic Kampuchea, who have been, along with the other two patriotic forces, fighting for the liberation of our country against the Vietnamese aggression? Why?" he asked. [passage omitted]

NSC Chief Receives Khmer Serei Leader Son Sann

BK2812070192 Bangkok Radio Thailand Network in Thai 0530 GMT 28 Dec 92

[Text] National Security Council [NSC] Secretary General Charan Kunlawanit has reported on his meeting with Khmer Serei leader Son Sann at Government House this morning. He said Son Sann expressed his desire for peace in Cambodia and asked Thailand to help bring peace to that country because he did not want to see Cambodians kill each other and it would be nice if

Thailand could help. He told Son Sann that peace in Cambodia is Thailand's goal and that Thailand would continue to provide support in order to achieve that goal.

According to Charan, Son Sann informed him about the recent meeting in Phnom Penh which discussed the possible election of a president. Son Sann said the United Nations supports the election of a president, which should be held before the general election scheduled for May. Son Sann expressed the hope that peace will materialize after the election.

Asked if Son Sann made new suggestions about how to achieve a durable peace, Charan said he and Son Sann merely talked about how to make the Paris agreement work effectively. Regarding the Khmer Rouge's concern about the presence of Vietnamese forces in Cambodia, Charan said the Vietnamese presence is a fact which will have to be verified later. He said Thailand's role is merely to make the peace process go forward. Any verification is the work of the United Nations. Regarding the request made by many parties for Thailand to persuade the Khmer Rouge to return to the peace process, Charan said the foreign minister is working on this matter, adding that the foreign minister met this morning with Khieu Samphan, a Khmer Rouge leader, at the foreign ministry.

Prasong Receives Son Sann 28 Dec

BK2912002892 Bangkok Army Television Channel 5 in Thai 1030 GMT 28 Dec 92

[Text] At 1030 today, Khmer Serei leader Son Sann called on Foreign Minister Squadron Leader Prasong Sunsiri at the Foreign Ministry. Reporting to newsmen after the meeting, Sarot Chawanawirat, the deputy permanent secretary of the Foreign Ministry, said Son Sann had just returned from visiting Prince Norodom Sihanouk in Beijing and he expected the prince's condition to improve soon as doctors are taking good care of him. Prince Sihanouk will not be able to return to Phnom Penh until another two months or possibly in May, according to Son Sann.

Sarot said Son Sann expressed great concern over the situation in Cambodia and asked for Thailand's full assistance in preventing a resumption of fighting. Son Sann was told by the Thai foreign minister that Thailand has been helping and will continue to help bring peace to Cambodia.

Sarot said the foreign minister also asked Son Sann about Thailand's request to extend the time for the removal of logs which were cut before the 22 December decision of the Supreme National Council [SNC]. Son Sann's reply was that he had no time to consult with Prince Sihanouk on this matter as the latter was recuperating following medical advice. In any event, he is aware of the Thai request and would bring it up at the next SNC meeting.

Sarot noted that Thai logging operators have been asked to stop log hauling by 31 December in order to wait for the outcome of the request to the SNC. Thailand will show the contracts Thai loggers had with the Cambodian side to UNTAC [UN Transitional Authority in Cambodia] and SNC. The process of gathering these contracts will be completed soon.

Asked if Son Sann mentioned the Khmer Rouge's plan to continue fighting if there is no verification of the presence of Vietnamese in Cambodia, Sarot said Son Sann felt that the Khmer Rouge's posture has not changed. Son Sann said he had sent a letter to the UNTAC chairman asking UNTAC to take earnest action to control the five main ministries and set up a combined police force, which could help improve the situation.

Asked if the foreign minister talked about the Thai proposal on the election of a president of the SNC before holding the general election in Cambodia, Sarot said the foreign minister has given assurances of Thailand's support on this matter. In particular, as the Khmer Rouge has not rejoined the peace process, having Prince Sihanouk's leadership is very important.

Closing of Cambodian Border Checkpoints Approved

*BK2612031692 Bangkok BANGKOK POST in English
26 Dec 92 p 1*

[Text] Interior Minister Gen Chawalit Yongchaiyut approved yesterday a ministerial announcement which effectively closes down all temporary timber checkpoints on the Thai-Cambodian border as of January 1. Ministry sources said Gen Chawalit's move was in line with the Cabinet's decision on December 22 reaffirming Thailand's intention to strictly comply with the UN resolution imposing economic sanctions against the Khmer Rouge.

In a separate order also signed yesterday, Gen Chawalit instructed the governors of provinces bordering Cambodia to try their best to facilitate Thai concessionaires' efforts to bring out trees felled under their agreements with the various Khmer factions into Thailand before the border closure. Thai loggers have been granted concessions to bring out 65 million cubic metres of timber out of Cambodia through 22 border checkpoints since last year. But until now only 400,000 cubic metres have been taken out.

Whether Thailand will be able to bring the remaining timber out of Cambodia will depend on the outcome of its negotiation with Cambodia's Supreme National Council, which ordered the logging moratorium, effective from December 31, and was supported by the UN Security Council, the sources said.

Gen Chawalit went to Ubon Ratchathani and Sisaket earlier this week to inform the provinces' governors of the Government's policy, the sources said. The chiefs of districts bordering Cambodia will be invited to a

meeting in Bangkok next month to hear the government policy on the Cambodian logging ban, the sources said.

Logging Firms Likely To Lose Millions

*BK2812011992 Bangkok BANGKOK POST in English
28 Dec 92 pp 1, 3*

[Text] Si Sa Ket—Seven Thai logging companies with concessions to fell timber in Khmer Rouge territory across from Si Sa Ket estimate that they stand to lose at least 500 million baht immediately the border closes on January 1.

The companies' owners claim that United Nations' sanctions against the Khmer Rouge could cost them 2,700 million baht in the long term from their logging concessions.

Logs from Khmer Rouge territory in Cambodia pass through two temporary border passes in Si Sa Ket into Thailand. Both will close.

One pass is at Chong Sa-ngum in Phusing subdistrict. Four companies have a five-year concession to bring in a total of 1.2 million cubic metres of logs (300,000 cubic metres per company). They are the P.C. Udon Supplies Co Ltd, run by Pracha Chairat, the M.L.L. 32 Co Ltd, run by Chat Loetsupphaloekkun, the Kukan Arunsawat Ltd Partnership, run by Mrs Sayant Buntot; and the Surin Thanapong Construction Ltd Partnership, run by Surin Raksawong.

The Interior Ministry approved the Khmer concessions for the four companies and they were allowed to bring in logs from March 17 this year. However, the companies were not ready to start operations until August and so far have brought in only 20,000 cubic metres of logs.

The other pass is at Chong Phra Phalai in Khun Han District. Three companies on September 28 won approval to bring in a total of 1.2 million cubic metres of logs over a five-year period.

The three companies are the A. Victor Development Ltd, run by Nopphon Tangnusat (600,000 cubic metres of logs; the Amnat Charoen Saw Mill Ltd Partnership, run by Banhan Phatthanaphong (300,000 cubic metres) and the Sin Siam Warin Ltd Partnership, run by Pisit Sawangbun (300,000 cubic metres).

All three companies were unable to start their operations until December 2 and have brought in only about 9 per cent of their total concession.

The seven companies have five-year contracts with the Khmer Rouge with the price of wood to be felled and brought in varying between 500 and 1,800 baht per cubic metre depending on the type of wood. The seven companies are to pay the Khmer Rouge a total of more than 3,100 million baht over the five years of their concession.

This does not include the 500-700 million baht they have already paid for labour, machinery, fuel administration, land mine clearing (by the Khmer Rouge), cutting of roads and hiring of logging experts.

The seven companies claim that when the two border passes are closed they stand to lose this initial investment immediately. If the sanctions continue or war breaks out they will lose 2,700 million baht in estimated business.

The seven companies say they are bringing in as many logs as possible 24 hours a day, but by the December 31 deadline they estimate that they will be able to bring in no more than a total of 40,000 cubic metres owing to the difficult terrain and insufficient machinery.

Foreign Minister Prasong Sunsiri is still awaiting a reply from Cambodia's Supreme National Council on Thailand's request to extend the deadline.

The Foreign and the Interior ministries are doing all they can for all companies bringing in logs from Cambodia, he says.

He does not think the closure of the border passes will last too long because a general election will be held in Cambodia in May. Thailand and Cambodia will then be able to continue their economic relationship.

UNTAC representatives will meet him today to explain the UN's checkpoints to be situated on the Khmer border.

KPNLF leader Son Sann and Khmer Rouge leader Khieu Samphan are also scheduled to meet him today.

Nopphon Tangnusat, manager of the largest of the companies, says he sympathises with and supports the Thai Government in enforcing the sanctions.

But he wants the Government to negotiate with the UN and the SNC [Supreme National Council of Cambodia] to postpone the deadline for a certain period—preferably six months—to enable the companies to take all their wood and to bring out their machinery and workers.

The seven companies on Thursday submitted a letter to Interior Minister Chawalit Yongchaiyut, who was in the province asking the ministry to enable them to complete their work and for the government to negotiate with the UN and the SNC to delay the deadline for six months.

If the deadline is not extended his company will have to keep some workers in Cambodia and coordinate efforts with the Khmer Rouge to ensure their safety. The workers will look after the machinery and logs that cannot be removed in time.

He predicts the Khmer Rouge will be able to "resolve the situation" in a short time and when the situation improves the companies will bring back their logs.

With five days to go, his company's 40 log trucks are bringing in about 1,000 of the 2,700 logs felled in the first part of their concession, which was to last until January 2.

Mr Noppon says his 100 employees work from dawn to 11 p.m. and the company has sent in another 100 to help them speed up the task.

Si Sa Ket Governor Uthaiphan Sa-nguansrisem says provincial authorities are helping the companies to bring in all the logs they can, but they have to check their approval documents from the Interior Ministry.

He must wait for an order from the ministry as to whether machinery and workers can be brought home after December 31.

Burmese Proposal for Disputed Hill Considered

BK2512063892 Bangkok THE NATION in English 25 Dec 92 p A2

[Text] Thailand is considering a Burmese proposal for a joint inspection of the disputed Hill 491, on the southern border, during the second week of January to verify that all troops have been withdrawn.

Deputy Foreign Minister Surin Phitsuwan said yesterday that a planned visit by Thai officials tomorrow had been cancelled because of "technical problems".

The Thai Ambassador to Rangoon, Wirasak Futrakun, had advised the government of the Burmese proposal, he said.

Thailand and Burma have agreed to a compromise over the hill, which was captured from Karen fighters and occupied by Rangoon's troops in February.

The Bangkok government claims the hill is Thai soil, in Chumphon's Tha Sae district. The dispute threatened to sour relations between the two countries, until negotiators earlier this month agreed on a mutual withdrawal of troops to allow a joint survey to delineate the border.

Under the agreement, tomorrow is the final day for the withdrawal of troops. Police Director General Sawat Amomwiwat had said that as of Tuesday scores of Burmese soldiers were still occupying the area.

But military spokesman Lt Gen Anuson Kritsanaserani yesterday confirmed that Rangoon's forces were being pulled back from the area.

No more than 50 Burmese troops remained on the hill, and he believed all would be withdrawn by the deadline.

Surin had earlier said that he would lead the Thai team to verify the Burmese withdrawal.

Surin, who is co-chairman of the Thai-Burma Boundary Committee, said yesterday he planned to visit the trouble-free demarcated area during the first week of January, including Tak and Mae Hong Son, and would later travel to Hill 491.

Military, Ministry Disagree

BK2912015392 Bangkok *THE NATION* in English 29 Dec 92 p A2

[By Kawi Chongkitthawon]

[Text] War between Thailand and Burma over Hill 491 was averted only when HM [His Majesty] the King, acting on his own initiative, intervened when it appeared inevitable the Thai military would use force to retake the disputed hill. Interviews with Thai officials involved in the negotiations with the Burmese authorities have revealed the failure of Thai military leaders to understand their Burmese counterparts—their way of thinking—which caused a loss of “face” on the Thai side.

This lack of understanding quickly turned into distrust, which destroyed the Thai officers’ long-standing belief in their “personal connections” with the Burmese leaders. They had been too confident that the dispute could be settled quickly, easily and amicably. Disagreement between the Foreign Ministry and the military over the handling of the dispute also slowed the negotiations.

The crisis has forced Thai authorities to review policies towards Burma. The process will begin today with a working group scheduled to meet for the first time. It will draw up recommendations.

The disputed hill came to the government’s attention as early as last January, when Burmese forces began a fierce offensive against Karen forces ensconced in a stronghold straddling the Thai-Burmese border in Chumphon Province’s Tha Sae District. Rangoon’s armed forces dislodged the ethnic separatist guerrillas from their base on Hill 491, and then occupied it in turn. Officials who participated in subsequent talks, both in Thailand and Burma, agreed to reveal details to *THE NATION* if guaranteed anonymity.

In early November, when the potential seriousness of the dispute had still not caught the media’s attention, the Thai military dispatched a team of senior officials to Rangoon to discuss the possibility of Burma pulling out its forces from the disputed hill. The message the Thai delegates brought back to the capital was optimistic. The Burmese had promised to bring “good news” about the hill to the next meeting of the Regional Thai-Burmese Border Committee in Chiang Mai on November 16-20.

Officials said the military took the Burmese pledge of “good news” as an indication of their willingness to pullout their forces. But when the two sides met in Chiang Mai, Thai military leaders found out the “good news” was not the expected troop withdrawal from the hill—but the dispatch of a Burmese technical team to

inspect the area. At the meeting, the Burmese side was headed by the Eastern Army Commander Gen Maung Aye and the Thai side by the Third Army Region Commander Gen Yingyot Chotiphimai.

According to one source, the Thai military was upset and thought they had been betrayed by the Burmese. They also viewed the broken promise as an attempt to test Thai tolerance and unity. Talk of war, of using force to remove the Burmese troops, rapidly became the order of the day. The failure to reach a settlement in Chiang Mai prompted Supreme Commander Gen Woranat Aphichari to cancel a scheduled meeting in Bangkok with the Burmese Eastern Army Commander Gen Maung Aye. This was considered an impromptu manifestation of the Thai armed forces’ outrage toward the Burmese.

Gen Maung Aye was flabbergasted by the Thai decision and returned home. At least one official said that Gen Maung Aye, who is considered close to Burmese leader Gen Than Shwe and knows many of the Thai military top brass personally, was trying to end the conflict with Thailand in order to strengthen his credentials within the Burmese junta. Maung Aye, who is a rival of military strongman Gen Khin Nyunt, wants further close cooperation with Thailand, the officials said.

After the Chiang Mai talks, press reports of the lack of progress in ousting Burmese forces from the hill and continued attacks by the Opposition increased the pressure on the government. During the parliamentary debate on Hill 491, the Opposition grilled the government for its failure to regain sovereignty over the hill. Foreign Minister Prasong Sunsiri replied that it was basically a problem of demarcation of the border line and the issue should be settled by peaceful negotiation.

While Prasong was taking the blunt of the Opposition attack, Burmese Foreign Minister U Oung Gaw flew in and tried to ease the tension at a meeting with Prasong. According to one source, Gaw hinted that the Burmese side would like further negotiations in Rangoon and that all differences would be settled there.

The Foreign Ministry then tentatively proposed December 4 to open negotiations in Rangoon, but the Thai armed forces refused. The date had been fixed to precede the King’s birthday on Dec 5—which was intended as an added guarantee that the talks would be peaceful. Eventually, Dec 8 was agreed upon.

On December 4 during an audience with the top government officials, both civilians and military, at the Dusidalai Pavillion, HM the King warned that the dispute over Hill 491 could cause disunity among Thais unless they thought carefully before acting. The King recommended that the two countries agree to declare the disputed area a no-man’s land and to find ways to jointly develop it for their mutual interest.

According to an authoritative source, during an audience recently with Thailand’s ambassadors, HM the King

discussed Hill 491 with Sarot Chawanirat, deputy permanent secretary for foreign affairs. The source said that during the audience the King he referred to his remarks made on Dec 4, saying that it had been on his own initiative. After the King's Dec 4 message Prime Minister Chuan Likphai told Defence Minister Wichit Sukmak that Thai troops must be withdrawn from around the hill to ensure there was no bloodshed.

In Rangoon, both sides agreed to make the disputed hill a no-man's land while their technical teams worked to demarcate the border.

Although the crisis has ended, Thai authorities have been forced to scrutinize and subsequently review their policies towards Burma and the Burmese ethnic groups which have for years relied on Thai support. The Thai government has set up the working group scheduled to meet today to consider future policy towards Burma, and recommend some necessary adjustments.

One authoritative source, who monitors Burmese affairs, said that there are two major lines of thought. The first calls for the forceful support of the Burmese junta while gradually diminishing Thailand's ties with the rebellious ethnic groups; the second option would maintain the current "dual track" policy toward the central authority and the rebels. The Thai military has expressed support for a tougher line, arguing that Thailand has had many problems with Burma and that it would be preferable to have close ties with the Rangoon regime and ensure that crises like Hill 491 do not occur again.

"This would require the Thai military to sacrifice whatever links or leverage they have with the rebels," said the official. However, the Foreign Ministry has argued in favour of the two-tier approach, which supports the current policy of constructive engagement with the Burmese junta while maintaining a "humanitarian approach" towards the ethnic border tribes and Burmese students in exile here.

Group To Make Major Investment in China

*BK2812031792 Bangkok BANGKOK POST in English
28 Dec 92 pp 17, 26*

[Text] The Charoen Phokhaphan [CP] Group foreseeing bright prospects for China to emerge as an economic leader in the region, plans heavy investment to boost its resources in that country.

The group has already planned to invest in at least two "giant" projects, with total investment likely to be almost 100,000 million baht.

One of them is a \$3,000-million (about 76,000-million-baht) petrochemical complex in Linpoh. It is CP's largest investment in China and is possibly the biggest private investment project in that country.

In a rare press interview, CP chairman Tanin Chearawanont told Business Post that the petrochemical complex, to be set up in Linpoh, a port town near Shanghai,

will be similar to Thailand's National Petrochemical Complex [NPC] in Map Ta Phut, Rayong, "but it will be larger than the NPC II."

A preliminary agreement has been reached between CP and Peking, and the official contract is expected to be signed in the next couple of months, Mr Tanin said.

The project will be launched as a joint venture between CP's subsidiary in Hong Kong, Guah Kua Shen, and China's state-owned China Petrochemical Corp. CP will hold 70 percent of the joint venture's equity and the Chinese side the balance.

The project's first phase will be an oil refinery. Its refining capacity will be 200,000 barrels per day or about five million tons per year. The investment in this refinery will be \$2,000 million, Mr Tanin said.

The oil refined by this refinery will be sold in both the Chinese domestic and export markets, he added.

He said CP and China Petrochemical have been negotiating with some international oil companies on the provision of technology for their joint-venture oil refinery. "But no conclusion has been reached yet," he noted.

If the joint venture can select an international oil firm which is interested in jointly investing in the refinery, CP is willing to consider its offer, "or if it only wants to sell technology to us, we will buy from it."

Asked about the international oil firms they are talking with, Mr Tanin said they are all reputed ones such as Exxon, Shell and Caltex.

When in operation, the oil refinery will have naphtha as a by-product at a volume enough to produce 450,000 tons of ethylene per year.

"When the refinery is operational we will invite investors around the world to invest in the complex," Mr Tanin noted, adding that there will be about 15 downstream projects in the complex.

"Foreign investors can invest in these downstream projects by themselves or implement them as joint ventures with the CP Group. We are ready," he stressed.

He said CP at first had planned to set up a petrochemical complex in Hainan, a southern island of China but later changed the location to Linpoh.

"We started talking on this investment before the Tiananmen Square events and suspended the talks shortly after the bloodshed," Mr Tanin recalled.

The CP Group resumed talks with the Chinese authorities recently, and a preliminary agreement has now been reached.

"We decided to abandon Haina because it lacks all necessary facilities, and if we set up there, we will have to invest a lot in facilities first.

"But all the facilities needed are available in Linpoh, so we will only have to invest in the petrochemical complex project. That's why we decided to move to Linpoh," Mr Tanin said.

He said CP decided to invest in this huge project because it considers Asia's demand for petrochemical products is very high.

In Thailand, for instance, the consumption of petrochemical products is only about seven kilogrammes per person per year, while the average in developed countries is 17 kg, he explained.

The other project is a telecommunications-related one in Shenyang, a northeastern city of China.

Mr Tanin said the population in China's northeastern region is about 100 million, but around one-third of China's national resources are in this area, including oil, ores, forest and agricultural products.

He said CP will start the project with the operation of a cable TV network with about 700,000 targetted subscribers. The broadcasts will be made through optic-fibre cables.

"This can be counted as a 'reverse' telecommunications project. Instead of starting with a telecommunications network and going down to cable TV as a by-product, we will begin with the cable TV network and launch telephone networks later," he said.

He said a new joint venture will be formed to implement the project. CP will hold 65 percent of the equity and the rest will be owned by the Chinese counterpart.

The joint venture will produce TV programmes to feed the network's seven channels and select the best programmes from other channels in that country for its viewers.

Investigation Continues in 23 Dec Bus Bombing

*BK2512034292 Bangkok BANGKOK POST in English
25 Dec 92 p 1*

[Text] The bomb blast Wednesday [23 December] which killed five people at a Bangkok Mass Transit Authority [BMTA] bus terminal in Talad Plu was the work of a small group of people wanting to create disturbances in the country, the Special Branch commissioner said yesterday.

But Pol Lt-Gen [Police Lieutenant General] Phibun Kunlawanit did not elaborate on who he thought was responsible for the bomb attack.

Five people were killed and two others injured when the bomb made from two pounds of TNT and placed in a bag containing iron nails went off inside the BMTA bus terminal on Wednesday afternoon.

The blast was triggered when bus workers tried to open the bag left in a bus serving the No. 4 route between Klong Toey and Talad Plu by two unidentified men.

"This has nothing do with a personal conflict," said Pol Lt-Gen Phibun. "Nobody needs to use such powerful explosives which could kill a lot of people at one time just to get even in a personal dispute."

The Special Branch Commissioner rejected the possibility that the bomb attack could have been aimed at discrediting Interior Minister Gen Chawalit Yongchaiyut or Police Department chief Sawat Amon-wiwat.

"Why would they use such violence if the attack was only aimed at discrediting somebody? This is too violent an act. If the explosion had occurred on the bus, the result would be even more tragic," he said, accusing those behind the blast of brutality.

He said the bomb blasts at the Burmese embassy on October 18 and the Interior Ministry on October 19 were aimed at discrediting authorities.

But unlike those two incidents, he said the blast at the bus terminal was very powerful and could only be interpreted as being aimed at causing civil disturbance.

Pol Lt-Gen Phibun said the two men who left the bag containing the bomb must have a thorough knowledge of explosives as anyone inexperienced would not have had the courage to carry such a dangerous object.

The police officer said he had predicted after the bomb attacks in October that subversive activities would continue.

He said the public should be more careful when coming across unattended bags or parcels and call the police if they suspect the objects are explosives.

Pol Gen Sawat yesterday ordered the Special Branch to work closely with Metropolitan and Crime Suppression Division police to investigate.

Deputy Finance Minister Trairong Suwannakhiri said yesterday he did not think the bomb attack was politically motivated as there were no conflicts which would provide the motive for such an attack.

He described those behind the blast as barbaric and inhuman. "Police must try to capture those responsible no matter how difficult it may be," said Mr Trairong.

Bombers Said Unhappy With Government Performance

*BK2512132692 Bangkok Radio Thailand Network in
Thai 1200 GMT 25 Dec 92*

[Excerpt] At about 0930 today, an official of the Public Relations Department's News Center received a phone call from an unidentified male who claimed to belong to the group that placed a bomb on the bus that exploded

two days ago. The caller said the group perpetrated the incident because it was not satisfied with the government's performance and it would repeat the act if the government does not perform.

The official replied to the caller that the incident was wrong and caused harm to innocent people. The caller told the official that the Public Relations Department is to relate what he said to the government and that if his request was not carried out he would bomb the Public Relations Department's News Center at Wiphawadi Rangsit Road. The caller then hung up. [passage omitted]

Police Know Bombers' Identity

BK2612030292 Bangkok THE NATION in English 26 Dec 92 pp A1, A2

[Text] Police investigating the fatal bomb explosion at a Bangkok bus terminal on Wednesday claim to know the group behind it, and have warned that a further attack is likely soon.

Interior Minister Chawalit Yongchaiyut, who revealed the information yesterday, said the people involved wanted to create turmoil. But he refused to name the group or their motives.

Meanwhile, a bomb was defused yesterday outside the home of former Anan minister Sippanon Ketudat—the chairman of the Petroleum Authority of Thailand—but police say it was not connected to Wednesday's bombing in which five people died. A bomb hoax was also received at the Radio Thailand compound yesterday.

Gen Chawalit said he had learned that the people behind the bombing of the No 4 bus terminal in Phasi Charoen district planned to create further trouble after New Year's day. He would not give any details, saying only that he knew who had masterminded it.

"They must be a group of insane people," he said.

But Chawalit said concrete evidence was needed before police could arrest the suspects.

Asked whether he thought the explosion was meant to discredit him in order to get him to resign, Chawalit said he was not sure he was the political target.

"But if they want me to quit, they can directly tell me without having to resort to such violent means," he said.

An informed police source said investigators had found a piece of paper with a message written in Yawi, a language used by Thai Muslims in the South, at the No 4 bus station. They are having it translated to find out if it is connection to the explosion.

Police think the person who left the suitcase containing the bomb on a No 4 bus before it reached the station may have been paid to carry it. But they may not be the mastermind, the source said.

Metropolitan Police Commissioner Pol Lt Gen Chamlong Iamchaengphan said detectives are studying a range of motives for the bus terminal explosion. Among them are personal conflicts involving Bangkok Mass Transit Authority employees, a political attempt to cause turmoil and exiled Burmese students.

Another police source said the detectives are paying special attention [to] dissident Burmese students who have refused an order by the Interior Minister to go into a holding camp in Ratchaburi province.

They had been given until Nov 30 register for the camp, but the vast majority recognized by Thai authorities as genuine Burmese students have not turned up. The ministry is threatening them with tough legal action.

Earlier, a bomb was found at the home of Petroleum Authority of Thailand Chairman Sippanon Ketudat and a hoax bomb threat was made to the Public Relations Department's News Centre on Wiphawadi Rangsit Highway.

The bomb found outside the gate of Sippanon's house in the Samsen area was defused. Police did not say what type of explosive was used in the bomb. The former Anan minister was attending a meeting at Chulalongkon University at the time. Sippanon, who was industry minister in the interim Anan I and II governments, said he had no enemies and therefore the explosive would have been planted outside his house by mistake.

Meanwhile, an official at the Public Relations Department's news centre off Wiphawadi Rangsit Highway said an unidentified man telephoned the centre at about 10 am yesterday and claimed he had planted a bomb there. Police conducted a thorough search of the centre but found no bomb. The official said the caller claimed he masterminded the explosion at the No 4 bus station.

In further developments yesterday, the Police Department reinforced the guard at the home of Prime Minister Chuan Likphai in Soi Mo Leng in the Pratunam area. The two guards normally stationed outside the home have been joined by eight others. Security was also beefed up at the Interior Ministry yesterday. The number of police guards was doubled from 40 to 80.

Police Director General Pol Gen Sawat Amonwiwat yesterday said he had told the Metropolitan Police Bureau and the Special Branch Division to step up their efforts to prevent more violent incidents like the bus terminal explosion.

Pol Lt Gen Chamlong said an aged couple sought by police as prime witnesses in the explosion investigation have come forward and given evidence. Police have offered a Bt [baht] 300,000 reward for information leading to the arrest of the mastermind of Wednesday's explosion.

Security Measures Increased

BK2912013192 Bangkok THE NATION in English
29 Dec 92 p A3

[Text] SECURITY officials have been ordered to step up measures to prevent the recurrence of violence like last week's bus terminal explosion to dispel concern about public safety, Interior Minister Gen Chawalit Yongchaiyut said yesterday.

Prime Minister Chuan Likhai gave the instruction during an hour-long meeting at Government House yesterday, Chawalit said.

Present at the meeting were Chawalit, Defence Minister Gen Wichit Sukmak, National Security Council Secretary General Gen Charan Kunlawanit, Police Director General Pol Gen Sawat Amonwiwat and Metropolitan Police Commissioner Pol Lt Gen Chamlong Iamchaengphan.

Chawalit said there would be closer cooperation between the intelligence sections of the police, the military and other government agencies responsible for public safety. The public would also be encouraged to give information to the authorities to help prevent further criminal acts by those who want to create turmoil, he said. Police efforts would now be concentrated more on the prevention of sabotage.

Defence Minister Wichit said the military would cooperate fully with police.

Pol Gen Sawat said police would set up more checkpoints to conduct thorough searches on vehicles as part of a concerted campaign to prevent bomb attacks.

Police would also educate security guards at shopping centres and employees of the Bangkok Mass Transit Authority on how to detect saboteurs and handle packages suspected of containing explosives, he said.

In a related development, Government House officials yesterday used two electronic detectors to inspect boxes of relief supplies donated to flood victims in the South. No explosives were found. A strict screening process was also applied to visitors seeking an audience with Prime Minister Chuan. They were required to identify themselves and give full details of the objective of their visit.

Chawalit said more time was needed to complete the investigation of the explosion that killed five people at the terminal for No 4 buses in Phasi Charoen district last Wednesday. The culprits faced tough legal action if police could collect concrete evidence against them, he warned.

Chawalit said the blast could have been the work of someone just seeking to kill or it could have been politically motivated. He refused to discuss speculation that it could have been intended to put him under political pressure over his responsibility for public safety.

Vietnam

President-Elect Clinton's Policy Examined

BK2812155192 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 10 Dec 92

[Article by Nguyen Tri Kha: "The Clinton Administration and Adjustment of U.S. Foreign Strategies", published in the recent issue of the WEEKLY NEWS Journal—date not given]

[Text] On 20 January 1993, President-elect Bill Clinton will officially take over the White House and will adjust the U.S. foreign strategies for the post-cold war period in order to carry out the unchanged objectives of maintaining the United States' global superpower position, as did his predecessors.

The U.S. leading business circle contended that the adjustment of these strategies under the Clinton Administration is inevitable for the post-cold war period. The collapse of the Soviet Union and the abolition of the Warsaw Pact have ended the military threat to the U.S.—the fundamental concept and strategic theory pursued by the United States for several decades since World War II.

Former U.S. Secretary of State Kissinger contended that the adjustment of U.S. strategies is a philosophical logic because in the post-cold war period there will be no obvious enemies but friends who will be rivals in the economic front.

In his victory speech after the 4 November presidential election, President-elect Bill Clinton said: The American people have cast their ballots to make a new start. The election calls for our country to face new challenges at the conclusion of the cold war and at the beginning of a new era and a new century.

The first and most striking adjustment is that instead of talking about focusing great attention on the arms race and strengthening U.S. and NATO military power—the U.S. foreign strategies dubbed as 'Gunboat Diplomacy' in the cold war period—President-elect Bill Clinton stressed that the U.S. fundamental leadership role in the post-cold war period will rely on restored economic strength. He said that in the post-cold war era, priority tasks in the U.S. internal and external policies are to restore the economy. He pointed out that a weak economy fraught with debts will damage U.S. foreign policy. It will create more difficulty for us to reach economic agreements in favor of the United States, and it will diminish our capability in sponsoring essential military operations.

The 42d occupant of the White House also advocated free trade activities. He demanded, however, that other countries compete in an equal fashion and open their markets to foreign products. He pledged that he will do his best to ensure a firm foothold for U.S. merchandise in the world market while guaranteeing world economic

development and measures to resolve pending issues in this regard. Analysts predicted that the Clinton Administration will have a more decisive stand against its economic rivals. This decisive stand will create more tension in the trade relations between the U.S. and its clients and will create trade wars of unprecedented scale between the U.S. and its former allies—who in the cold war period had tried all possible means to resolve differences to fight against their common enemies.

The second adjustment of the Clinton Administration will be the rearrangement of priority projects for military activities. President-elect Clinton said: The position of our national defense and foreign policies will be changed. However, our national defense must be as ever the strongest system in the world. Nevertheless, efforts must be made to reduce the U.S. military power in the post-cold war period. Analysts contended that with an aim to improve the federal budget deficit, President-elect Bill Clinton will make more efforts to streamline the U.S. military machinery—the inevitable results at the end of the cold war—in order to save the federal budget as much as possible while maintaining the United States' position as number one superpower.

Clinton has proposed a five-year plan for reorganizing the U.S. military power to save about \$100 billion—more than President Bush's saving plan by twofold. He also proposed a plan to dramatically cut the budget for the Star Wars program, reduce the number of U.S. regular troops to 1.4 million from 1.6 million by the year 1997, cut U.S. troops in Europe to 100,000 as compared to 150,000 at the present, and ask U.S. allies in Europe to share a greater burden of military expenditures. President-elect Bill Clinton also said that he will reduce the number of U.S. aircraft carriers to 10 and not 12 as planned by President Bush while continuing to support the production of the V-22 aircraft—aircraft that can take off like helicopters but can operate similar to conventional aircraft—despite objections from the U.S. Pentagon headed by Dick Cheney.

Generally speaking, Mr. Clinton supports a smaller military structure with higher capabilities to cope with unexpected events in various regions and to serve the scheme of expeditiously using arms when warranted. Mr. Clinton also supports the setting up of a UN Rapid Deployment Force to deal with acute provocative acts. Analysts held that President-elect Bill Clinton thinks that with this UN force, the United States will refrain from launching its own military operation as in the case of the attack on Panama.

Concerning the lethal weapon issue, Mr. Clinton advocates a reduction in nuclear arms production with continued cooperation from the Russian Federal Republic and other countries concerned. He also supports the U.S. Congress' resolution on banning of nuclear arms tests for nine months and the total banning in 1996 unless other countries resume their tests.

The third adjustment of the Clinton Administration is the effort to ensure what he called democracy abroad. It sounds like a religious teaching for foreign countries or, in other words, an act to show the U.S. leadership role in the world. Mr. Clinton contended that his strategy for democracy abroad is in fact an adjustment to catch up with the fast-changing world at the end of the cold war when new problems are emerging, and that the United States has no aim to nurture the regimes that obstruct democratic movements. Political specialists contended that the Clinton Administration will use economic aid, a preferential trade system, embargo, and diplomatic pressure to fulfill its strategy of promoting democracy abroad to form a new world order.

Mr. Holdbrooke, a U.S. specialist in Asian Affairs, contended that the Clinton Administration will apply the democratic pressure policy in an integrated fashion to the Asian region.

The most striking change in the U.S. foreign policy under the Clinton administration will be the democratic pressure policy. This is aimed at creating conditions for changes in favor of the United States in the region. Observers held that the U.S. democratic pressure policy in Asia will cause tension in the relations between the U.S. and key nations in the region. Many countries have already expressed concern over the application of this policy and said that they have different concepts than the United States as far as democracy is concerned, and that the United States has no right to impose the U.S. democratic standard on their countries.

Le Duc Anh Congratulates New ROK President

BK2812150492 Hanoi VNA in English 1403 GMT 28 Dec 92

[Text] Hanoi VNA Dec. 28—President Le Duc Anh has congratulated Mr. Kim Yong-sam on his election as president of the Republic of Korea.

Assembly Resolution on Law-Building Program

BK2912085792 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 27 Dec 92

["Text" of resolution on the 1993 law-building program adopted by the Ninth National Assembly Second Session on 22 December]

[Text] Pursuant to Article 84 of the SRV Constitution and Articles 62 and 63 of the Law on National Assembly organization.

After hearing the National Assembly Standing Committee's report on a tentative law-building program for 1993, taking into account suggestions made by various agencies and individuals charged with presenting draft bills or making law-related suggestions, the National Assembly hereby resolves:

1. The National Assembly approves the appraisal made by the National Assembly Standing Committee on the

results of the 1993 law-building program and notes that in 1992 law-building work was focused on approving the SRV Constitution and other laws on the organization of the state apparatus. These achievements marked a significant step toward improving the political system of our country, thereby creating firm premises for strengthening and perfecting our legal system as well as helping to build step by step the law-governed Vietnamese state.

Against the background of implementing the 1992 tasks, the National Assembly takes note of great efforts made by all echelons and sectors—namely, the Vietnam Fatherland Front Central Committee, mass organizations, and people—in law-building work, especially during the participation by all the people in debating and building the 1992 Constitution. However, the law-building plan could not be fulfilled because its planned targets were far beyond viability. The quality of many draft laws was still poor while efforts to provide guidance for implementation of various activities were not decisive enough. The promulgation of detailed documents and providing guidance for law enforcement were not promptly made. The supervision and inspection of law enforcement work were not carried out satisfactorily. Laws were slowly applied to daily life, thereby failing to satisfactorily develop the results of efforts to adjust socioeconomic relations.

2. The law-building task of the Ninth National Assembly consists of continuing to constitutionalize the party's platform and strategy for socioeconomic stabilization and development, reexamining the entire legislative system now in force, working out plans to compile, revise, or supplement those documents already promulgated, and to make the legislative system compatible with the new constitution in order to meet requirements for socioeconomic management and for building a state from the people, by the people, and for the people.

As an immediate task, based on the resolution on the 1993 tasks, the National Assembly establishes the central tasks for the 1993 law-building work which consist of continuing to perfect the legislative system to serve the restructuring of the economic management system, stepping up production and business activities of various economic components, broadening foreign economic relations, consolidating national defense and security, and restructuring the state apparatus in accordance with the renovative spirit of the Constitution and various laws on the organization of the state apparatus, ensuring citizens' democratic liberties, and approving the 1993 law-building program which contains 14 laws and four other documents of the National Assembly, and 16 regulations with attached indexes.

3. To ensure the enforcement of the law-building program in 1993 the National Assembly, the National Assembly Standing Committee, and the government should devote much time to working out plans for specific guidance, regarding law-building work as one of their central tasks.

In the immediate future, it is necessary to take the following primary measures to ensure implementation:

- Holding a special National Assembly session on legislative work in June 1993.
- Ensuring a longer schedule for various sessions within the year to consider and to pass various draft bills as planned.
- The National Assembly Standing Committee should devote more time to compiling various draft bills to be presented to the National Assembly and to passing more regulations.
- Assigning the National Assembly Standing Committee in January 1993 with planning and delineating duties for the compilation and inspection of the pace of preparations for various draft bills and regulations, closely supervising the implementation of the law-building program in accordance with the schedule.
- On a periodic, semiannual basis, the National Assembly Standing Committee should inform National Assembly deputies of the situation regarding the law-building program and should present its plan for adjustments or amendments.
- The National Assembly should assign the National Assembly Standing Committee with consulting the people on a number of draft bills which it deems necessary, and should assign the government and responsible organs with directing the compilation of various draft bills and regulations as cited in the law-building program to ensure that all the draft bills are presented on schedule with good quality.
- In January 1993, the government should decide to allocate an appropriate budget to promptly finance various projects.
- It is necessary to assign the Judicial Committee, the Nationalities Council, and other committees of the National Assembly, the Ministry of Justice, the National Assembly Office, the government office, and the Ministry of Finance, depending on their functions, with working out plans to cooperate, monitor, provide assistance to, and accelerate the pace of preparations for various draft bills.
- The National Assembly should draw up a plan to recruit and to train competent and experienced judicial cadres to replenish various advisory legislative affairs organs, especially those under the disposal of the National Assembly.
- Responsible organs for drafting various bills are allowed to use judicial cadres and cadres belonging to various scientific sectors and to recruit experts, including foreign experts, for compiling various draft bills.
- All the draft bills cited in the program should be finished on schedule with good quality.

—All draft bills to be presented to the National Assembly should be accompanied by law documents providing detailed stipulations and guidance for implementation.

—It is necessary to further renovate the law-making process, ensuring compilation, scrutiny, and consultation through the introduction of various draft bills in accordance with a close-knit, rational, and law-abiding sequence.

4. The National Assembly should assign the National Assembly Standing Committee with preparing a tentative law-building program for the ninth term of office of the National Assembly to be presented to the National Assembly for passage at its third session scheduled June 1993.

As an immediate task, the National Assembly Standing Committee should decide on a list of draft bills and regulations to be studied and compiled in 1993.

This resolution was passed by the Ninth SRV National Assembly at its second session on 22 December.

Ministers Testify at Assembly on Corruption

BK2912103392 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 18 Dec 92

[Report on various cabinet ministers testifying before the Ninth National Assembly Second Session on 18 December regarding profiteering on banned goods, control of music videos with bad content, etc—read by announcer]

[Text] Dear friends: As was cited in Communiqué No. 7 of the National Assembly, after reporting on a number of matters related to 1992 import-export activities, Comrade Le Kim Lang, on behalf of the minister of commerce, pointed out the need to temporarily stop importing 17 kinds of goods.

He said: After more than three months of implementing a government decision to temporarily cease the import of 17 goods, some local establishments have reported an increase in the sale of certain goods such as pottery, porcelain, dry batteries, and fabrics.

Through their market relations, a number of sectors and production establishments have displayed their weaknesses in management and in production and business. This has created an imbalance between supply and demand, thus adversely affecting prices. Those having goods in stock have capitalized on this opportunity to raise the prices of those goods which are banned from importation up to six to seven percent and even higher. The Ministry of Commerce has also displayed many weaknesses in state management.

Judging from the above situation, a number of National Assembly deputies held that we should resort to tax measures to regulate prices to protect homemade goods and that the Ministry of Commerce should continue to

study this issue if it is to come up with a correct course of action for its 1993 import-export activities and for the ensuing years. The Ministry of Commerce should also rearrange various export sources within the country, increase the dissemination of information on predictions for the world market situation to help business establishments devise a correct course of action in export- and import-oriented production and business.

Minister of Culture and Information Tran Hoan briefed the National Assembly on the many changes for the better as well as the deficiencies displayed in the past by the cultural and information sector in various domains such as reestablishing the order of press, publication, and cinematography, and the situation regarding management of foreign-made karaoke video music tapes. He also answered questions raised by the National Assembly on making a movie called "A Love for Vietnamese Songs".

He emphatically said that the most serious shortcoming of the sector was that the number of poor-quality films still account for one-third of the total movies made locally. The control of imported movie video tapes is not strict enough. Consequently, many films with unhealthy contents have flooded the country. Karaoke is a fast and popular method for music dissemination. But producers of karaoke music videos have greedily exploited negative scenes for quick money. The cultural and information sector needs to pay attention to rearranging various filmmaking establishments, ensuring that they make only movies and video tapes with good contents.

At every entry and exit point, we should closely inspect and strictly deal with cases of illegal importing of video tapes. In addition, we should generate a mass movement to detect and curb circulation of foreign-made video tapes and the illegal operation of various Karaoke video music centers.

While grilled by National Assembly deputies over providing services for making the film "A Love for Vietnamese Songs," Comrade Tran Hoan admitted there had been a lack of supervision on the part of his ministry, regarding this as a shortcoming. The Ho Chi Minh City people's committee failed to promptly curb and correct the wrongdoings and violations committed by various relevant units such as the Union of Cinematographic Enterprises and the city magnetic tape enterprise which have, out of their desire to earn quick money, turned a blind eye to a foreign film company which violated a contract by shooting an additional 13 acts and distorting the contents of the movie in question. The ministry has reviewed this case for drawing on experience.

Comrade Thai Phung Ne, minister of energy, answered two questions raised by National Assembly deputies. As for the first question concerning the repayment of loans obtained from Tien Giang Province to build the 35-kv north-south powerline, Comrade Thai Phung Ne said: In compliance with the government policy on repaying loans obtained locally to build the North-South power

line, the ministry has issued a circular to provide guidelines for various units in the sector. The 2d Electricity Corporation has repaid the the amount of money borrowed from local people. As for the amount of money obtained from the local budget, the corporation will repay it in 1993. Regarding the second question about whether the electricity sector can estimate the amount of electricity lost each year, the comrade minister of energy answered: The state does not fix any annual quota for losses of commercial electricity but only for losses caused by technical failure. In 1991, the entire energy sector produced 9.651 billion kw/hour. The set quota for losses caused by technical failure was 21.91 percent but in reality, electricity loss exceeded 25 percent, three percent above the set level. The reasons for the substantial loss of electricity are that many establishments of the electricity sector have carried out their management work poorly. Many localities have had to resort to the contract system, due to a lack of electric meters. The power transmission line is beset with problems and no measures have been taken to prevent electricity theft. A number of personnel of the electricity sector have continued to lend a helping hand to those stealing electricity. These are problems to be overcome by the electricity sector in order to avoid electricity loss.

Asked by the National Assembly what has happened to the rest of the smuggling cases as there have been only 23 out of more than 5,575 cases of smuggling—which have been discovered since early this year—put on trial, Comrade Truong Quang Duoc, head of the Customs Department, explained:

The reason for this is that the entire sector has concerned itself with initiating legal action against various cases of smuggling where crimes can be established. As for those cases where crimes have not been established or where only violations of customs regulations are found, administrative penalties have been applied. However, the customs sector has sternly criticized itself and found that in the past, the entire sector has been heavily inclined toward administrative penalties. Consequently, a number of cases have been dealt with through administrative instead of criminal punitive measures. The entire sector has drawn on experience and has chosen a course of action with effective measures aimed at contributing to implementing the prime minister's directive on intensifying the fight against smuggling and corruption.

Le Xuan Trinh Interview on Corruption, Smuggling

BK2512101392 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 7 Dec 92

[Report on interview by QUAN DOI NHAN DAN of Le Xuan Trinh, head of the Government Office, on the struggle against corruption and smuggling; date, place not given—read by announcer]

[Text] There are only a few days to go before we enter the New Year. To review and evaluate the 1992 socioeconomic situation and what has been achieved, QUAN DOI NHAN DAN today carries an interview with Comrade Le Xuan Trinh, Head of the Government Office.

During the interview, Comrade Le Xuan Trinh pointed out what had been renovated in government activities, the economic results achieved by Vietnam in 1992, the guidelines for the 1993 socioeconomic plan, and the course of diplomatic actions to be taken by Vietnam in case the United States lifts or does not lift its embargo against Vietnam.

Regarding the government plan against corruption, Comrade Le Xuan Trinh stated: Corruption is associated with smuggling, while smuggling is dependent on corruption. These vices constitute a real challenge to the development of our country and to the efficiency of our state management. It is an urgent task of the government and of various sectors and echelons to resolutely curb, to dispel, and then to eliminate corruption and smuggling in order to build a steadfast administration, if we are to regain the people's trust and continue to move the country forward.

The prime minister has issued a decision pointing out five requirements to be met in the fight against corruption and smuggling, and three essential measures to be thoroughly grasped by various sectors and echelons to ensure the success of this struggle.

At the next National Assembly session, the government will report on this issue. The government holds that corruption and smuggling are vices with deep-rooted causes. The struggle will be very complicated and we should persist in carrying out this struggle. We should harmoniously apply various educational, economic, administrative, and legal measures and should achieve cooperation between sectors and echelons, and between the government on one side and the administration at various levels and mass organizations on the other under the party leadership.

It is certain that in 1993 we will be able to effect an important change for the better in this struggle.

Government To Try 'Serious' Corruption Cases

BK2612063492 Hanoi VNA in English 0614 GMT 26 Dec 92

[Text] Hanoi VNA Dec. 26—Ten serious cases of corruption will be brought to trial in the first quarter of 1993.

This was decided at a conference here on Dec. 23 chaired by Premier Vo Van Kiet with the participation of key officials of law enforcement agencies to examine and promote the settlement of major cases of corruption and smuggling still left pending. Present at the conference were among others, Minister of Justice Nguyen Dinh Loc, General State Inspector Nguyen Ky Cam, President of

the Supreme People's Court Pham Hung, Deputy Minister of Interior Pham Tam Long and representatives of concerned branches and offices.

As reported by the Supreme People's Inspectorate, up to now 14 among 53 provinces and cities in the country have identified 293 major cases 28 of which were tried in November and December this year. The conference decided to bring to court ten other major cases in the first quarter 1993.

Premier Vo Van Kiet also instructed the security service and the concerned offices in the coastal province of Ba Ria-Vung Tau southeast of Ho Chi Minh City to prosecute and bring to trial a number of corrupt officials of Vietsovpetro (Vietnam-Soviet Petroleum Corporation) who signed unlawful contracts for the purchase of materials and equipment from foreign companies causing serious losses to the state.

The prime minister instructed the responsible agencies to re-examine all the pending cases in order to continue to prosecute and bring to trial a number of serious cases in both first and final instance sittings. Those cases which have been tried but not in strict conformity with the law in force must be retried. He also urged that all trials must be opened to public attendance and the results must be made widely known to the public through the mass media.

'Serious' Cases Examined

BK2612095692 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Dec 92

[Text] According to a report from the government office, Prime Minister Vo Van Kiet held a working session with law enforcement agencies on 23 December to examine and promote the settlement of serious cases of corruption and smuggling.

As reported by the Supreme People's Organ of Control, 44 out of 53 provinces and cities have thus far identified 293 major cases, 28 of which were tried in November and December this year. Examples of these are the following:

- Nguyen Dinh Cuong, former chief of the Ninh Son District Tax Office of Ninh Thuan Province, together with four cadres of the same office, received kickbacks amounting to 242,120,000 dong.
- Le Hong Song of the 19 May Trading Consortium, together with five other persons in Ha Tay Province, seized 1.5 million dong fraudulently.
- Dinh Hong Phuoc, former deputy director of the Thua Thien Hue Communications and Transportation Office, received kickbacks totaling 41 million dong and deliberately violated financial regulations, resulting in a loss of 3 billion dong.

At the session, the heads of various ministries, branches, and sectors discussed the past adjudication situation and

cooperation between law enforcement organs in the task of investigation and adjudication. They unanimously singled out 10 important legal cases for trial in the first quarter of 1993. These include the following:

- Nguyen Nhu Cuong, member of the Vietnam Insurance General Corporation, seized 3.2 billion dong by deceitfully signing a contract to buy foreign currency.
- A number of units of the Ministries of Energy and Commerce and the Vietnam-Poland Friendship Association seized 3.1 billion dong through dishonest dealing in 4,000 tons of steel needed for building the 500-kv North-South powerline.
- A number of public organs in Cao Bang Province illegally exported 1,389 sedan cars.
- Phan Anh Tuan, former director of the Ho Chi Minh City Customs Office, accepted bribes and condoned smugglers, and the like.

According to a report from the government office, apart from those cases already prosecuted by various sectors, in mid-December 1992, Prime Minister Vo Van Kiet, together with the minister of interior and the director-general of Vietsovpetro [Vietnam-Soviet Petroleum] General Corporation, personally heard the Ba Ria-Vung Tau provincial public security office report on a case involving some cadres of the Vietsovpetro General Corporation who had signed unlawful contracts for the purchase of materials and equipment from foreign companies, causing serious losses to the state. The prime minister assigned the Ba Ria-Vung Tau provincial security police and other responsible organs in the province to initiate legal actions, regarding it as one of the province's serious cases.

Also according to the report of the government office, on 18 December, after learning from a report carried in the 15 December issue of the Journal YOUTH, Prime Minister Vo Van Kiet immediately sent a message to the people's committee and the security police of Ho Chi Minh City, asking them to take harsh measures against a case involving a number of people who had organized extremely debauched, pleasure-seeking activities at a nightclub in Ho Chi Minh City, thus spreading a decadent lifestyle that runs counter to the morality and traditions of our people. He asked that all people involved be arrested and sternly dealt with regardless of whether they are related to influential people. The manager of the nightclub concerned should also face a harsh penalty.

Speaking at the session held with law enforcement agencies to discuss the trial of some important cases, Prime Minister Vo Van Kiet said: Following a report presented by the government on its action program for its new term of office at the Ninth National Assembly's first session, law enforcement sectors of various localities have made initial changes for the better in investigating and trying various cases of corruption and smuggling. The Ninth National Assembly's Second Session recently passed a

bill amending and supplementing a number of articles of the Criminal Code. So, future adjudication should be carried out to fully reflect the spirit of these newly amended articles. We should reexamine various legal cases at each echelon and should immediately bring to trial a number of serious cases in both first and final instance hearings. Some of these cases should be handled by the central-level court. Others should be tried by the local authorities concerned with guidance from the central authority. Those cases which have been tried, but not in strict conformity with the law in force, must be retried. It is necessary to closely combine the use of party discipline with administrative penalty in the trial of cadres and state employees found guilty irrespective of their organs or positions. Such a trial should be conducted publicly and the results should be announced over mass media.

The prime minister asked various ministries and law enforcement organs to draw on past adjudication experiences and to correct delays. Responsible sectors should promptly issue guidance for implementing amended articles of the Criminal Code and the Law on Criminal Procedures recently passed by the National Assembly for use in adjudication. They should achieve close cooperation and direct their investigation efforts at a number of people implicated in corruption and smuggling and should promptly try a number of serious cases.

Cabinet ministers, heads of various sectors, and the chairmen of the people's committees at various levels should improve their sense of responsibility in providing guidance for implementing the government's action program and the prime minister's decision on curbing and eradicating the ills of corruption and smuggling.

The government will help solve pressing requirements concerning working conditions for law enforcement organs to create favorable conditions for investigation and adjudication activities to produce high results.

Antisocialist Filmmakers Tried, Sentenced

BK2012132192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 20 Dec 92

[Text] The People's Court of Ho Chi Minh City recently heard for the first trial the case of "A Love for Vietnamese Songs".

In August 1991, Pham Cong Thanh, then general director of the Union of Video-Cinematography Enterprises, signed a contract with the film company CFS to provide assistance to CFS in setting up some scenery for the film "The Challenged Love" which was later changed to "A Love for Vietnamese Songs".

During the making of the film, responsible staff of Union of Video-Cinematography Enterprises have lost their sense of vigilance and have been lax in control duties, thus enabling CFS to viciously violate the contract by making the content of the film reactionary and defamatory to the Republic Socialist of Vietnam.

Also appearing in court with Pham Cong Thanh were Pham Kim Thanh, Nguyen Quoc Minh, and Huynh Xay. After two days of hearing, the People's Court sentenced Pham Cong Thanh and Pham Kim Thanh to three years' imprisonment for two offences: associating with foreign filmmakers to produce a film in violation of the state's policies and regulations, and for deliberately acting against state laws and regulations. A two-year prison sentence was given to Nguyen Quoc Minh and a 16-month prison sentence to Huynh Xay for spreading information against socialism.

Fatherland Front Honorary Chairman Dies

BK2712143492 Hanoi VNA in English 1418 GMT 27 Dec 92

[Text] Hanoi VNA December 27—Hoang Quoc Viet, honorary chairman of the Fatherland Front Central Committee, a veteran revolutionary and an outstanding disciple of President Ho Chi Minh, died in Hanoi on Dec. 25, 1992 of serious illness at the age of 87.

It was announced in an obituary by the Central Committee of the Communist Party of Vietnam, the president of the Socialist Republic of Vietnam, the Standing Committee of the National Assembly, the government, and the Central Committee of the Vietnam Fatherland Front.

Mr. Hoang Quoc Viet was former Politburo member of the Vietnamese Workers' Party (now Vietnam Communist Party), former member of the Communist Party of Vietnam Central Committee, former president of the Vietnam Trade Union, former deputy to the National Assembly from the second to the seventh legislature, former president of the Vietnam-China Friendship Association, and former chairman of the Fatherland Front Central Committee.

He lies in state at the Ba Dinh Conference Hall in Hanoi. He will be buried on Dec. 30 at the Mai Dich Cemetery.

A 24-member funeral committee was formed including, among others, party General Secretary Do Muoi, President Le Duc Anh, Prime Minister Vo Van Kiet and National Assembly Chairman Nong Duc Manh.

Funeral Committee Named

BK2812081592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 27 Dec 92

[Text] The Funeral Committee for Comrade Hoang Quoc Viet:

1. Comrade Do Muoi, general secretary of the party Central Committee, head of the committee.
2. Comrade Nguyen Van Linh, adviser to the party Central Committee.
3. Comrade Pham Van Dong, adviser to the party Central Committee.
4. Comrade Vo Chi Cong, adviser to the party Central Committee.

5. Comrade Le Duc Anh, member of the party Political Bureau and president of the Socialist Republic of Vietnam.

6. Comrade Vo Van Kiet, member of the party Political Bureau and prime minister.

7. Comrade Nong Duc Manh, member of the party Political Bureau and chairman of the National Assembly.

8. Comrade Dao Duy Tung, member of the party Political Bureau and secretary of the party Central Committee.

9. Comrade Doan Khue, member of the party Political Bureau, general, and minister of national defense.

10. Comrade Vu Oanh, member of the party Political Bureau.

11. Comrade Le Phuoc Tho, member of the party Political Bureau, secretary of the party Central Committee, and director of the party Organization Department.

12. Comrade Phan Van Khai, member of the Political Bureau and deputy prime minister.

13. Comrade Bui Thien Ngo, member of the Political Bureau, senior lieutenant general, and minister of interior.

14. Comrade Pham The Duyet, member of the Political Bureau and secretary of Hanoi Party Committee.

15. Comrade Nguyen Duc Binh, member of the Political Bureau, secretary of the party Central Committee, and director of the Nguyen Ai Quoc Institution.

16. Comrade Vo Tran Chi, member of the party Political Bureau and secretary of the Ho Chi Minh City Party Committee.

17. Comrade Nguyen Huu Tho, chairman of the Vietnam Fatherland Front Presidium.

18. Comrade Truong My Hoa, secretary of the party Central Committee and chairman of the Vietnam Women's Federation.

19. Comrade Nguyen Van Tu, member of the party Central Committee and chairman of the Vietnam Confederation of Trade Unions.

20. Comrade Nguyen Van Chinh, member of the party Central Committee and chairman of the Vietnam Peasants Association.

21. Comrade Ho Duc Duyet, first secretary of the Ho Chi Minh Communist Youth Union.

22. Comrade Tran Van Quang, chairman of the Vietnam War Veterans Association.

23. Comrade Le Thanh Dao, chief of the Supreme People's Organ of Control.

24. Comrade Do Binh Duong, member of the party Central Committee and secretary of the Ha Bac Province Party Committee.

Spokesman Denies Repression of Buddhism

BK2812121892 Hong Kong AFP in English 1151 GMT
28 Dec 92

[By Andrew Sherr]

[Text] Hanoi, Dec 28 (AFP)—Hanoi rejected Monday "calumnious accusations" that it was persecuting the Unified Buddhist Church of Vietnam, which has a history of resisting state control.

"We reject these calumnious accusations while calling on the public to be vigilant against a number of people who commit acts of sabotage, provocation and religious division," a Foreign Ministry spokesman said.

Two senior monks threatened, in letters made public Thursday in Paris, to burn themselves to death unless communist authorities halted their "Stalinist" repression of the church.

The threats evoked images of the 1960s, when Buddhist monks immolated themselves on the streets of Saigon to protest repression by the South Vietnamese Government of President Ngo Dinh Diem, a Roman Catholic.

"For many years the Buddhist community in Vietnam has always been attached to the nation and has contributed to the building of the country," the spokesman here said.

"The activities of the Buddhist church are being strengthened and consolidated more and more," he said, adding that religious freedom was guaranteed by Vietnam's Constitution.

Hanoi established a national Buddhist Church of Vietnam, which belongs to the Communist Party's Fatherland Front, after unifying the predominantly Buddhist country in 1975.

But the two senior monks, Thich Nhat Lien and Thich Tri Tuu, charged that they and others had been persecuted for resisting imposition of state control over the 18-century-old Unified Buddhist Church.

In letters released by the Paris-based "Vietnam Committee for the Defense of Human Rights," the two monks described "interrogations" which, Thich Nhat Lien said, had reduced him to the state of "a body without a soul."

Threatening self-immolation, the 70-year-old monk from the southern province of Dong Nai said in the letter addressed to his followers that he was now "a dead man on furlough."

Thich Tri Tuu, head of the Linh Mu Pagoda in Hue, said in another letter that he and other monks had been pressured to deny that the late head of the Unified Buddhist Church, Tich Don Hau, had designated Thich Huyen Quang to succeed him.

"If the authorities persist in denying the authenticity of his will, I will make my body a torch to light the truth," the Paris group, which is supported largely by Vietnamese exiles, quoted Tich Tri Tuu's letter as saying.

Hau, who died in April, was a prominent figure in the anti-Saigon resistance. He quit his Communist Party

Central Committee and National Assembly posts in 1978, however, in protest over state treatment of the church.

His death provoked a tense standoff when the monks insisted that they, and not the Fatherland Front, organize his funeral in the central city of Hue. Hanoi relented, and sent a high-level delegation to attend.

The monk reportedly designated to succeed him, Thich Huyen Quang, was banished to his native village in central Vietnam in 1982, according to international human rights organizations.

He was one of several leading monks and intellectuals from southern and central Vietnam arrested in the early 1980s.

VNA Cites 1992 Industrial Production Statistics

BK2712064892 Hanoi VNA in English 0413 GMT 27 Dec 92

[Text] Hanoi VNA December 27—Industrial production in 1992 went up by nearly 15 percent compared with 1991 in which the central state-run industries grew by 25 percent, the local state-run industries by 7.5 percent, and the private industry by 6 percent. In Hanoi and Ho Chi Minh City the growth rate was more than 10 percent.

The output of over 60 main products was up. These include 5.5 million tons of crude oil (0.7 tons above plan), 200,000 tons of steel (up 50,000 tons), 80,000 tons of urea fertilizer (up 20,000 tons), 3.4 million tons of cement (up 0.2 million tons). All the 11 economic and technical branches under the Ministry of Light Industry have overfulfilled their yearly programmes.

The electric service generated over 7 billion kwh of commercial electricity of which over 350 million kwh were supplied from the north to central Vietnam, thus saving a quantity of diesel oil worth 300 million dong/day, hitherto consumed by diesel-fuelled generators.

Coal production chalked up 4 million tons, including 1.5 million tons for export.

The railway service has been rearranged, reducing a north-south express service from 60 hours to 48 hours. The transportation engineering service has cooperated with foreign companies in turning out new cars. This year, for the first time, a 3,800 dwt sea-going ship was launched.

Industrial production gains in 1992 were not only reflected in a much bigger amount of commodities for domestic consumption and for export but also in the stability of prices and a roll-back of inflation to below the allowed rate, and in the renovation of economic thinking which helped determine correct orientations of production and the search for new outlets under the regulation of the market. They also show that while promoting the autonomy of production and business establishments,

the state has effectively renovated its guiding and operating methods and drastic but judicious measures when necessary to solve serious imbalances.

Cargo Air Route With Singapore Inaugurated

BK2612143192 Hanoi VNA in English 1312 GMT 26 Dec 92

[Text] Hanoi VNA Dec. 26—The Singapore Airline (SIA) cargo has inaugurated a cargo air link from Ho Chi Minh City to Singapore. From now on there will be two weekly cargo flights by Boeing 737's and four others by a 310's of SIA [as received] cargo from Ho Chi Minh City to Singapore.

According to the director of SIA in Vietnam, the cargoes will chiefly consist of food, vegetables, fresh fruits, and other tropical products.

SIA cargo is operating services between Singapore and Phnom Penh, Ho Chi Minh City, Bangkok, Hong Kong and Madras and will open a link to south China in the near future. According to the Singapore Aviation Department, passenger freight from Singapore to Ho Chi Minh City increased to 30,000 people in 1991 from 1,000 in 1988.

Production of Oil, Gas Joint Enterprise Noted

BK2512075092 Hanoi VNA in English 0544 GMT 25 Dec 92

[Text] Hanoi VNA Dec. 25—By December 24, the Vietnam-Soviet Oil and Gas Joint Enterprise (Vietsov-petro) has pumped 5,350,000 tonnes of crude oil, 550,000 tonnes above the yearly plan.

The enterprise plans to pump 150,000 more tonnes of crude, bringing to 5.5 million tonnes the total output for 1992.

VNA Details Bilateral Trade With India

BK2712064292 Hanoi VNA in English 0429 GMT 27 Dec 92

[Text] Hanoi VNA Dec 27—Two-day trade between Vietnam and India is facing great possibilities, said Indian ambassador to Vietnam S.L. Malik at a press conference held at Quang Trung fair in Ho Chi Minh City with the participation of 18 Indian companies. In January 1993, Indian producers will hold an exhibition at the same site, he added.

According to the Indian ambassador, Vietnam may export rice, cashew nuts and other farm produce to India.

On the Indian side, Prine Company of India has sold pharmaceuticals worth 1.5 million US dollars to Vietnam and is preparing to sign a contract valued at 2.5 million US dollars.

Fortune International Company, which came to Vietnam in 1987, has sold to Vietnam medicines and tyres worth 5 million. It is preparing to form a joint venture with partner in Vietnam.

Cimmco, one of the biggest companies of India, has maintained trade ties with Vietnam over the past 10 years. It has set up representative offices in Hanoi and Ho Chi Minh City.

At the Quang Trung fair, 8 companies of India signed a number of contracts with Vietnam.

India is considering the sale of buses and trucks to Vietnam. India can also supply high-tech equipment to modernize Vietnam's telecommunication system and share with Vietnam experiences in rural electrification.

India is also helping Vietnam in the research on and creation of high-yield pest-resistant rice strains in Can Tho-O Mon (in Mekong River delta), in building a research centre on buffaloes and cattle fodder in Song Be Province. Twenty workers of this centre have been sent to India for training. Indian experts will also build an experimental goat breeding centre in Song Be Province.

A company of India has signed with the Vietnam rubber corporation a contract to build two large rubber plantations with a combined area of 30,000 hectares in Song Be and Lam Dong Provinces.

India has cooperated with Vietnam in producing insecticides, agricultural equipment and machines in many areas of Vietnam.

A textile mill, built in Nam Dinh with financial assistance from India, has been put into operation and a joint venture between a company of India and the Vietnam steel company to build a steel factory will be soon implemented in Dong Nai Province.

Recently, the agriculture ministers of the two countries have signed an agreement whereby the Indian Government will grant 13 million US dollars in low-interest loans to Vietnam to be repaid by Vietnam with rice. The agreement will take effect at the end of 1992.

Socioeconomic Projects Aimed at Ex-Boat People

BK2512154892 Hanoi VNA in English 1334 GMT 25 Dec 92

[Excerpts] Hanoi VNA Dec. 25—In the framework of a UNHCR [UN High Commissioner for Refugees]-funded programme, the southern coastal Province of Soc Trang has drawn up 17 socioeconomic projects aimed at stabilizing and improving the living standard of repatriates from boat camps abroad. The estimated cost is USD 658,000. [passage omitted]

The Swedish International Development Authority (SIDA) is helping Vietnam in the implementation of a project on "investigation, survey and general evaluation of Hanoi environment." The project would cost USD 120,000 in fiscal 1992-1993. [passage omitted]

Minh Hai Province Nets Record Seafood Catch

BK2712144492 Hanoi VNA in English 1424 GMT 27 Dec 92

[Text] Hanoi VNA Dec. 27 - The southernmost Province of Minh Hai, with more than 100 kilometres of coast line and large fishing grounds, has so far this year caught more than 125,000 tonnes of sea products, the biggest catch for a single province and accounting for more than 10 percent of the country's production.

This includes 17,000 tonnes of frozen shrimps, more than 21,000 tonnes of frozen cuttle-fish and a large quantity of dried sea products. Minh Hai alone accounts for 72 million US dollars in export value of marine products out of the country's total of 305 million USD.

In 1992 the State Bank has loaned more than 12 billion dong (or over one million US dollars) to fishermen who for their part invested another 54 billion dong (five million US dollars) to build boats, purchase fishing gear and raise shrimps for export. There are now in the province 12 shrimp spawning farms, 600 hectares of water area stocked with fish and 107,000 other hectares with shrimps. Minh Hai has 14 refrigerating factories, ten ice factories and 18 refrigerating storing houses.

The province plans to raise production to 140,000 tonnes of sea products including 45,000 tonnes of shrimps and bring export value to 90 million US dollars.

